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The Nation's Business

Let's Face the Facts —At Home

Parliament will have a chance on Nov. 5 to Face the Facts—AT HOME. This much Prime Minister King has promised. Wisely he has retracted his earlier decision to send members home until January.

When those facts are faced, what will be revealed?

First, a nation united, determined, and deadly purposeful about gearing its human and material resources to the war effort.

Next, a nation pledged and committed to a programme of material aid and procurement that is staggering in its conception and magnitude.

In 12 months Canada will spend $940,000,000 for war purposes—almost as much as the entire cost of the last Great War. Yet the war programme is barely starting.

War production contracted for by the Department of Munitions and Supply alone is placed at $1,500 millions annually.

* * *

What do such figures mean?

As yet there are not more than a handful of men or women in Canada who comprehend the changes that must be made in Canadian life to divert this much energy and material to war needs. In terms of manpower, steels, machines and a host of materials and resources, the implications are beyond our ability to grasp.

Take manpower alone.

Estimates of the number of men and women required to handle wartime production reaching into the billions of dollars, range from 250,000 to 500,000.

These are men and women who require training and skill.

They are in addition to upwards of 500,000 men now being diverted into the armed forces in one capacity or another.

They are over and above the men and women needed to carry on the normal life of the country. For the men and women doing war work need food, clothing and transportation services, as well as other citizens.

* * *

The same story is true of materials.

Probably one million extra tons of steel will be required for war purposes by the time munitions production reaches its peak. There is not time to expand capacity greatly. This steel must be found largely by withdrawing supplies from peacetime industries now using steel for all manner of articles we now buy and use.

If the choice lies between shells for the army and articles for the people at home, there is only one answer in wartime. The nation must make shells.

* * *

Why is it important that Parliament should face these facts?

The answer, very simply, is this: wartime leadership cannot use peacetime machinery to mobilize the nation. Unless the machinery to integrate and direct this programme is geared to the imperious needs of modern warfare there will be confusion, inefficiency.

In the earlier months of war so much furious energy is devoted to the placing of orders, mapping out of programmes, this lack is often not apparent. It is not until the war effort reaches its peak that weaknesses of plan, confusion of purpose, failure to control priorities, etc., appear. Often it is then too late to make amends.

Parliament is meeting at a time when this war programme is just getting under way. Now is the time to review it; to make sure it is well planned and properly integrated.

* * *

Already the programme has hit one serious snag—the failure to co-ordinate labor supply. Men from essential industry have been drafted into 30-day training camps.

Such a tragic error in judgment could never have occurred had there been proper integration at the top; had our wartime machinery been working effectively according to plan and along sound lines of business management.

* * *

There are obviously serious weaknesses in the direction of the war effort. They result chiefly from the fact that our vast war organization has been built up by a series of improvizations, hurriedly devised when this country was shocked by the capitulation of France.

What is of vital importance now is that we should take stock of our war effort, turn this series of improvizations into a well-integrated, co-ordinated war plan. How such planning and co-ordination may best be achieved is a subject to which informed Canadians must devote more of their attention.

It may be that an inner war cabinet, composed of men divorced of routine departmental responsibilities, is needed; a group of men with time to think and plan.

Also The Financial Post has expressed the view and still believes that our programme of munitions and supply should be placed under the direction of a "general manager" responsible to the Minister; a non-political, industrial administrator whose only orders are to get results.

* * *

The Financial Post intends in succeeding weeks to discuss some of the needs of the situation apparent at Ottawa. At the moment what requires emphasis is the serious situation existing because of the lack of planning and co-ordination.

Accumulating bottlenecks in respect to labor and materials may lead to a production crisis of the first magnitude by next spring if there is not early action to anticipate and deal with them.

* * *

Speeding Up Air Training Plan

Few matters of government war policy are more important than the decision announced last week by Hon. C. G. Power to speed the Commonwealth Air Training Programme. Mr. Power and his department deserve the congratulations of all Canadians for their decision to again accelerate the programme.

If Parliament meets (as it certainly should do) on Nov. 5, one of the most vital matters for discussion will be the speed and progress made under this plan.

Figures as to the speed with which training centres have been erected and so forth are encouraging and essential. They are in keeping with the acceleration which every Canadian sought and expected from the Government after the May-June blitzkrieg had torn the scales from our eyes. But it is not enough to know that the programme has been greatly speeded since the original blueprints were laid down.

What really matters now is the assurance that every ounce of blood and sweat that this nation can muster is being poured unstintingly into this war-winning "university of the air."

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If we were ever in any doubt, the expert advice and opinion given us recently by U.S. journalists and war commentators has made the

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Ottawa May Aid In Housing

From Our Own Correspondent

OTTAWA.—Acute housing shortages at several points where large increases in population have taken place because of expansion of war industries or the concentration of military, naval and air forces, are believed certain to cause the Government to launch a new, if limited, house construction fund.

The housing activities pursued so vigorously throughout the depression have now lapsed owing to exhaustion of funds. But in the face of the shortages now existing at a number of points — notably Barrie and Parry Sound in Ontario and Halifax, Nova Scotia—there is believed to be no alternative other than Dominion assistance for people now unable to find accommodation.

It is reported that owing to the rapid expansion of industry or the great concentration of troops, many people in these areas are either lacking decent accommodation or, in extreme cases, they are living under canvas. This situation, it is said, cannot continue into the winter months.

If Dominion funds are made available for this purpose the expectation is that the capital investment in individual homes will be kept down to a minimum. The demand for houses is to be regarded as a temporary one and structures of about the same permanence as the huts for troops would be about as far as Ottawa would care to go.

Expansion At Loblaw's Under Way

Opens Two New Stores And Enlarges Eighteen Other Units

Loblaw Groceterias Co., Ltd., is in the advanced stages of major expansion undertaken since Jan. 1, last, The Financial Post is advised by Charles B. Shields, vice-president and general manager.

The total programme involves the opening of two new stores and the expansion, modernization or moving to larger space of 18 other units. These 20 stores are located in 10 different towns and cities of Ontario. Work on 12 of the units is completed. Eight more projects already are under way or definitely proposed, while several changes of location in Toronto and other points are pending. The company will have 114 stores after completion of the construction definitely arranged.

Seven Toronto Stores

Principal expansion is in Toronto, where seven stores have been or are to be expanded, modernized or location changed. So far this year, two units have been increased in size and modernized, while location of another has been removed to a new and larger location. Two more stores are to be moved shortly, while the space of another two is to be enlarged. One of these will embrace 9,000 square feet—the largest floor space occupied by any Loblaw unit.

Kitchener is to get a new modern market, which is expected to be ready about November 1. Two other units have been modernized.

London Space Enlarged

Two stores in London have been changed to new locations to provide larger space. One unit at Hamilton is modernized and another increased by an addition.

A new store is in operation in Ottawa. Modernization and expansion programmes have been completed in one Barrie and one Guelph store. Additions are being made to some of the stores in Orillia, Brantford and North Bay.

De Havilland Doubles Sales

When the company year ended Sept. 30, de Havilland Aircraft of Canada had actually delivered over 200 of the planes ordered for the Air Training Plan out of a total order of 404 Tiger Moth planes.

This means that the company's sales volume for the year ended Sept. 30, 1940, was something over $1 million and more than double that for the previous year.

Balance of the order for 404 planes should be delivered by the end of January, just about one year from the time the order was first received. The original schedule had called for delivery of about 40% of the planes in the first year.

It is difficult to forecast at this time what the greatly increased volume of business will mean in the way of profits for de Havilland for

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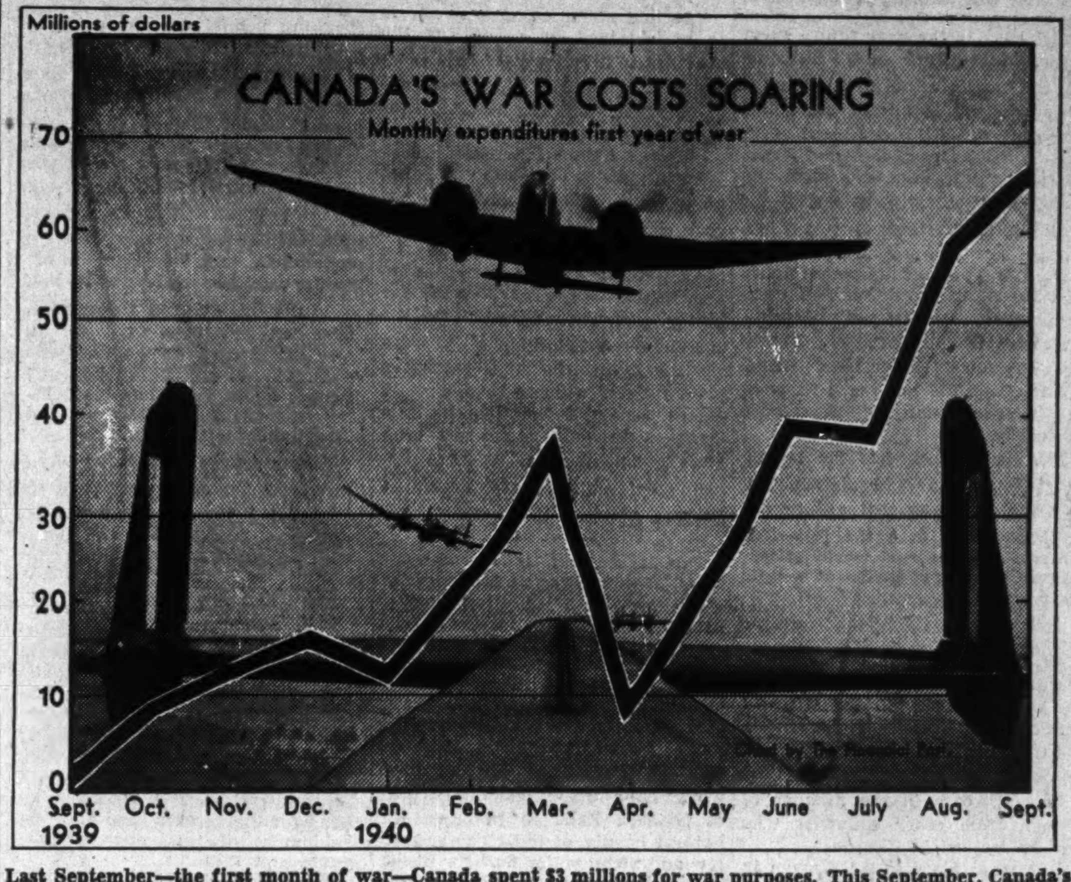

Last September—the first month of war—Canada spent $3 millions for war purposes. This September, Canada's war expenditures totalled nearly $67 millions. Just about the same as Canada spent in the whole year Aug., 1914—Aug., 1915. See the special article p. 11.

Ottawa Sees No Need For Empire Cabinet

But There is Support in Many Circles for an Allied War Counsel — Point to Very Different Conditions This War

From Our Own Correspondent

OTTAWA.—Do we need an Imperial War Cabinet?

There is little support in official circles at Ottawa for this proposal. Indeed, it is evident that no one in authority has considered it and that no discussions are under way. Conferences between members of the Canadian Government and the British Government will take place in plenty but it is the considered view of prominent officials here that nothing similar to the Imperial War Cabinet of 1917 is required. There is support, however, for an Allied War Council which, it is believed, would not only give the world a truer picture of the forces opposed to the dictators but would possess great publicity value in friendly and neutral countries.

The proposal to reconstitute the Imperial War Cabinet, it is suggested, comes from people who have forgotten the great development in the machinery of commonwealth relations since 1919.

New Situation

At the outset of the last war, no machinery of communication, apart from the office of the governor-general, existed. At that time the governor-general was appointed by the British Government and all official communications between Ottawa and London passed through his office.

This was a highly unsatisfactory arrangement, as Sir Robert Borden makes clear in his memoirs. Thus in November, 1915, he complained to Bonar Law about the lack of information regarding the war and the policy being followed by the British Government. The Canadian Government, he wrote on Jan. 4, 1916, knew no more of British policy than what they read in the daily press.

This deficiency was remedied in part by the creation of an Overseas Ministry of Canadian Military Forces in October, 1916, and the organization by Lloyd George (an-

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Abitibi "Sale" Plan "Abortive"

F. H. Barlow, K.C., Master of the Ontario Supreme Court, declared the auction sale of Abitibi Power & Paper Co. abortive when the only bid failed to reach the reserve bid. H. J. Symington, chairman of the bondholders' protective committee, made the only bid of $30 millions. No other bids were made.

Arthur Slaght, K.C., appearing for himself and other preferred shareholders, asked Mr. Barlow to reveal the reserve bid set by the Master. This request was refused on the grounds that no good object would be achieved.

Good Year Seen For Kelvinator

Canadian Business Very Satisfactory But England Difficult

Canadian operations of Kelvinator of Canada, Ltd., have been very successful in the year which ended Sept. 30, The Financial Post is told. Evidence is seen in the $1 a share dividend paid on the company's common stock for the year just closed compared with 50 cents a share in the preceding period when net profits were equivalent to 85 cents a share.

It is understood that difficult operating conditions for the subsidiary in England make any prediction as to what the final net profit might be for 1940 impracticable as yet. The company issues a consolidated statement and final figures will probably not be available before next January.

Last year the United Kingdom unit only contributed $895 to the consolidated net profits because of a heavy charge for prior year's taxes.

Plant Addition

Kelvinator has under way at present an addition to its main plant in London, Ont., which will give about five or six thousand square feet more floor space. This will greatly improve the facilities of the press shop and enable the company to install some new machinery which has been purchased. The net result is expected to be lower costs and increased productive capacity for that department.

A policy of concentrating more and more on mass production of refrigeration units is said to be adopted by Kelvinator. In the past the company has been active in making other lines such as air-conditioning units. These products are likely to

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The War And Business . . A Weekly Round-up

"Crisis" Ahead

Some competent businessmen, who have been studying Canada's war production programme, see something like a "crisis" ahead in six to eight months.

Canada has committed herself to a programme of production greater than anything this country ever before tackled; a programme far beyond the capacity of existing factories and probably beyond the limits of available labor. Whether or not it is beyond the supplies of raw materials likely to be available remains to be seen.

The crisis, it is argued, can be averted only if the most comprehensive plan of labor mobilization and transfer is planned and undertaken with a minimum of delay.

* * *

Canada is facing a complete overhaul of her national industrial life in order that the blueprint plans and war orders of the Department of Munitions and Supply may be translated into results.

The few men at Ottawa who have begun to think of the fuller implications of Canada's $1,500 millions annual war supplies production programme are worried.

They are worried chiefly because so little is being done to anticipate bottlenecks in labor, machinery and materials.

They are worried, too, because the Canadian people as a whole evidence so little appreciation of the revolution that is being worked in our economic and social life; and do not fully appreciate that "business as usual" hopes are bound to be severely modified.

They are worried because there is still inadequate co-ordination at Ottawa to ensure that our war supply programme will not be hampered by a breakdown at some vital spot—labor supply, raw material supply, or somewhere else.

* * *

Co-ordination

The other day, in a gathering graced by the presence of two of Canada's ministers, someone used the word "co-ordination." One of the ministers threw back the word. It was hackneyed and overworked, he said. Everybody talked about "co-ordination." But that was the one thing the Government had sought all along in its war effort, he said.

Ministers may be getting tired of demands for "co-ordination," but the need for better co-ordination of the various phases of the country's war effort is obvious to all those who spend much time at Ottawa.

Serious delays have already occurred in war preparation because one department, one official did not know what another department, another official, was doing. An example was the 30-day training scheme fiasco, launched without consultation with the Government's labor or procurement advisers.

Top-flight men in different war offices at Ottawa may be worried about the lack of an integrated war plan at Ottawa. But there is little that the average "dollar-a-year" man can do about it. He works in his own cell, doing the one particular job he has been given to do. Spending 12 to 15 hours a day on the job, he has little opportunity for consultation with his fellow-executives. If he senses that there is a lack of plan, he cannot himself remedy the defect.

* * *

How Ottawa is to get greater co-ordination into its war effort is a difficult problem to answer. Obviously the responsibility for achieving it rests upon the Prime Minister. But Mr. King is admittedly no executive, no business planner. He is a first-rate diplomatic and political strategist.

Suggestions for improvement are many, but the two that have the most adherents in business circles are appointment of a small inner war cabinet, freed entirely from departmental responsibilities and charged only with co-ordinating all phases of the war effort; and, secondly, appointment by Hon. C. D. Howe, Minister of Munitions and Supply, of a "general manager" for his department.

Such suggestions look only at the larger needs. In addition Ottawa sees urgent need for a labor controller with power to transfer labor from "unnecessary" industries to war industries; with responsibility for mustering women, young men, and even "unemployables" to keep the nation's factories fully manned.

* * *

No Tax Board

Businessmen are finding it difficult to understand why Ottawa has yet done nothing about appointing the board of referees to deal with "depressed" industries under the Excess Profits Tax.

Many companies are approaching the end of their year. They have not the slightest idea what their real profits — after taxes — are likely to be. They cannot make complete plans for 1941 because they do not know how much money there will be left in their treasury after the tax collector has taken his toll.

Ottawa, it is reported, takes the view that there is no hurry about setting up the board; that the law is on the statute books and any company can assume that it will pay taxes according to the rates established, and if it feels that is unjust it can be prepared to appeal when the board is appointed. This may be regarded as a hint that each company should get ready to be disappointed; that Ottawa hopes the board will be as ungenerous as possible in determining what has or has not been a depressed industry.

Industry replies, as indeed it has a right to do, that it is not for income tax officials to decide such points; that the government promised a board of tax referees to deal with doubtful cases; and that until the board begins to deal with such cases there can be no certainty and no sound planning in business.

* * *

Aircraft Engines

There is still no final word about the manufacture of aircraft engines in Canada. Negotiations have been carried on from time to time, by Ottawa, first with two different American aircraft companies and during recent months with the Bristol people in England. But The Post is informed that the negotiations are still on and that no final decision has yet been reached.

In any event an aircraft engine factory would be long time a-building and coming into production unless men and machinery were transferred lock-stock-and-barrel from some British plant.

Meanwhile, reorientation of Canada's aircraft industry, along lines discussed in these columns on several previous occasions, is proceeding. Canada and the United States are agreeing on joint types. Canadian plants will more and more swing over to American-type planes. In some cases almost the whole plane will be made here; in other cases Canada will be merely an assembly centre; still other cases will fall in between.

* * *

Production Chief

The easiest job in industry—or war supply—is placing orders.

The harder job is to get deliveries on time.

For several months the Department of Munitions and Supply has been enjoying the experience of placing orders running into hundreds of millions of dollars. But hard realists in the department realize that blueprints are not buildings; and orders are not guns and shells and tanks and airplanes.

There are headaches ahead and no group more willing to admit than the men who are doing the job of war supply. Most of the headaches will arise out of the effort to turn orders into production.

Ottawa has appointed one of its "dollar-a-year" men to the job of overseeing production and deliveries of war supplies. The appointee is W. C. Woodward, up to recently chairman of the executive committee of the Department of Munitions and Supply, and since then an executive assistant to the minister.

Mr. Woodward's job will be to see that plans are translated into results.

Munitions and Supply has set itself a big programme, bigger than can be carried out with a herculean national effort. Here is just one figure that shows how big the programme really is: It will take 9,000 "inspectors" alone to check on war materials being produced in Canadian plants.

Deal on Niagara Seaway Prelude

Points to Pact on Seaway as Power Project — Ontario Gets Niagara Power Flow Matching Lake Superior Diversions

U.S. consent to more water flow at Niagara for Ontario power plants, officially announced this week, moves the St. Lawrence seaway scheme once again to the verge of fruition—but this time primarily as a power project. Present prospect is it will be launched purely for power purposes at the outset, with the navigation aspects shelved indefinitely, at least until after the war.

As revealed at Ottawa, the pre-seaway deal with the U.S. does not cover the broad question of a general increase for both countries in the use of Niagara water flow for power. This was provided by the unratified Niagara control treaty of 1929. The present arrangement does, however, recognize exclusive right of Canada, in particular of Ontario for immediate purposes, to a greater Niagara flow matching that to be diverted into the Great Lakes from the Albany River basin. The waters to be diverted now move north and east from the height of land, down the Albany into Hudson Bay.

The U.S. has now conceded Ontario's right to take off at Niagara for power use all of the extra flow put into the Great Lakes-St. Lawrence system from purely Canadian waters. Otherwise the United States might have claimed a share of this additional flow as it passed through boundary waters of the Niagara River, from Lake Erie to Lake Ontario.

Access of Ontario to the full extra flow is subject to an undertaking by the province to go ahead with the $5 millions Ogoki diversion project, and to give effect to the completed Long Lac diversion. The Long Lac project was finished some time ago and the diverted flow can be turned into the Great Lakes at any time. Such an undertaking—that the flow taken out at Niagara now will ultimately be replaced by the northern Ontario diversions—is believed to be assured, if it has not already been given.

Highlights of Deal

Prime Minister Mackenzie King's public statement carries a triple significance:

1. Ontario gets immediate use of an extra Niagara flow equal to that from the Ogoki and Long Lac diversions into Lake Superior, without having to wait two years to complete the Ogoki scheme. This permits early increase of 50-70,000 h.p. in energy output of Ontario's publicly owned power plants at Niagara Falls.

2. The question of starting the seaway or even of concluding a seaway treaty is left in abeyance for the time being, though tentative informal agreement is implied. To pave the way for starting the power projects of the seaway scheme as soon as possible after final agreement is reached, Canada and the U.S. have undertaken to make immediate new engineering surveys of the international rapids section.

3. With the Niagara water concession apparently still hinged on closing of a broader seaway deal, both Canada and Ontario seem committed to eventual launching of at least the power phase of the seaway plan. Canada's acceptance of the U.S. offer of Niagara flow, and its stated and unstated qualifications, may be inferred from the Prime Minister's announcement. Ontario's readiness to accept has been publicly stated by Premier Hepburn.

Centred on Power

Navigation phases of the seaway on which has centred much of the international controversy on the plan, were not even mentioned in Prime Minister King's statement. At the same time, he defined the objective of present seaway plans of Canada and the U.S., and of the new engineering surveys, as assurance of power for Canada's war industries and the U.S. defense programme.

The Prime Minister's announcement confirmed The Financial Post forecast that the revived seaway negotiations had won extra Niagara flow now, with a tentative understanding on the seaway to be finalized later. It also brought officially into the open the purely power basis of the new seaway parleys, and the interlocking of the Niagara water question with the seaway power development.

Mr. King's statement was as important for its implied significance as for what it actually said. Perhaps the most important implication is that the U.S. concession of greater Niagara flow is still linked to conclusion of a final agreement covering the seaway and the Great Lakes-St. Lawrence basin generally.

Mr. King gave no indication as to when the actual construction of the

(Continued on page 2, col. 2)

Combines Act Weapon For Price Control

Wartime Prices and Trade Board Sees This New Way to Meet Problem With Recourse to Price Fixing

From Our Own Correspondent

OTTAWA.—The swift action taken to end a suspected combine among coal dealers in Fort William and Port Arthur has implications of importance for all parts of the country.

The complaint in this case, came to the Wartime Prices and Trade Board. The charge was that the coal dealers at the head of the lakes had got together on prices. The board asked the Combines Act Commissioner, F. A. McGregor, to investigate. He is reported by the board to have found evidence of collusion.

The board was then faced with the alternatives of restoring competition, or of price fixing. But under the threat of prosecution the coal dealers terminated whatever price fixing agreements they had entered into and not only reduced their prices but resumed competitive bidding for contracts.

The importance of these developments lies in the use made of the Combines Investigation Act to avoid price fixing by the board. On this occasion the implied threat of prosecution was sufficient and undoubtedly similar methods will be used whenever this problem arises in the future.

Now that war industries are increasing plant and stepping up production, the need to avoid price combinations and price agreements in restraint of competition is expected to become more acute. But it is evident that the last thing the board desires to do is to begin to fix prices. Once price fixing begins, it is argued, there can be no end to it until the whole business of the country is rigidified by regulations and controls promulgated by Ottawa.

The advantages of maintaining competition and thus avoiding price fixing are held to be self-evident and there is great satisfaction at Ottawa that the Combines Investigation Act, on this occasion, provided a quick escape from what might have been an exceedingly difficult situation.

It may be assumed now that the Combines Act is an important part of the war administrative machinery at Ottawa.

Expect to Unify Charity Drives

From Our Own Correspondent

OTTAWA.—Decision to unify the public appeals of the five largest war service organizations in Canada is expected to be taken this week here at a conference called by the national war services department.

Negotiations have been under way for some time among the Red Cross, the Canadian Legion, the Y. M. C. A., the Knights of Columbus and Salvation Army and the department.

The Red Cross is already going ahead with its second public appeal since the outbreak of the war. Normally the other four organizations would put on appeals for funds in January, February and March. The solution being sought will provide for one general appeal on a single day.

No change is foreseen in regard to appeals for funds to present war supplies to the Government, such as the I. O. D. E. Bomber funds, various Spitfire funds, and specialized appeals of that kind. The war services regulations do not apply to appeals for war supplies.

It is understood some arrangement will be required to permit individual donors of funds to allocate their subscriptions.

Make Sure You See—

Sir N. Angell On—Nazis Dividing Technique
How Hitler's Poison Ideas Are Planted—p. 11.

Ways War Is Affecting Merchandisers
Storekeeping in Wartime—p. 11.

How High Will Canada's War Costs Go?
War Costs Soar 2100% in Year—p. 11.

Achievements of Mining Outside of Canada
Canada's Overseas Mining Empire—p. 19.

What's New In The Motor Car Field
The Financial Post Looks Over the New Cars—p. 20.

Hat News FROM EATON'S

FAMOUS FOR FINE QUALITY Birkdale

Our "Birkdale" Fur Felt Hats have long been a leading choice with men who demand QUALITY when they buy hats! Smartly styled, too . . . popular snap brims. In browns and greys . . . sizes 6¾ to 7⅝. EATON Price, each

$6.00

MAIN STORE — MAIN FLOOR

T. EATON Co LIMITED TORONTO CANADA

Price Bros. Plans Big Timber Cut

Woods Operations This Year Will Be Well Above Average

From Our Own Correspondent

MONTREAL.—Woods operations of Price Bros. and Co. will be more extensive than usual this winter. Present plans call for a record output of sawn lumber. The cut of pulpwood also will be big; probably sufficient to permit the two newsprint plants to operate at capacity if need be.

Indications are that getting out the wood this winter will have some problems. There is a scarcity of labor in the areas worked by the companies. While it is not serious, woods crews will be smaller and it may be necessary to work for a longer period than ordinarily.

As far as woods costs are concerned, it is expected that the new cut will be somewhat more expensive, though not appreciably so. The 1941-42 season may tell a different story, as there are enough signs this year to lead to the belief that labor costs will be much higher, while there may be a further restriction in the supply of labor.

Donnacona Mill Operations Good

Using Nearly Twice As Much Wood As Year Ago

From Our Own Correspondent

MONTREAL.—Donnacona Paper Co.'s operations are currently on a satisfactory basis and earnings for the year should run well ahead of 1939. At present the company is using about 15,000 cords of wood a month, whereas a year ago it was using around 9,000 cords.

The newsprint mill is running at the industry's average level. This is above last year's ratio, though the company still has considerable spare capacity to take care of any bulge in demand.

Pulp Sales Good

Pulp sales have been well maintained. A ready market is being found for all of the unbleached sulphite produced. Sales of groundwood have run into several thousand tons, but of late the price has weakened.

The most active department of the company's operations is the board mill. Capacity operations have been the rule here for some time and prospects are that this condition will continue for some time.

Newsprint is the only department not at capacity, but in this field indications are that demand will rise next year, especially from the United States.

RELIEF-ARLINGTON

An operating profit of $3,304 was realized by Relief-Arlington Mines in September from milling of 2,461 tons of ore with a recovery of 875 oz. gold and 113 oz. silver. In the previous month there was a loss of $2,098. The mill treated 2,638 tons in August, and recovered 793 oz. gold and 165 oz. silver.

Mr. BUSINESSMAN

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SHAW SCHOOLS

Niagara Deal Announced

(Continued from page 1)

seaway might start, whether Canada would be relieved of its share of the financing during the war, or even when an actual treaty would be concluded. However, it is conceivable that a final agreement could be reached by the end of the year (possibly after the U.S. election) and perhaps construction started by next spring.

It is also possible that Canada would not be called on for its share of the financing until after the war, with special reference to any navigation works undertaken. Ontario, which would contribute virtually all the Canadian share of the cost of purely power developments, might not have to put up any money until it was ready to take over the power units. In the meantime, the U.S. might advance the funds necessary for completion of the joint project by the proposed international board.

It appears doubtful if the power and the navigation phases of the seaway can be postponed very long, certainly not until after the war, if they are to be of any value to U.S. rearmament. It would take at least three, more likely five years, to complete the seaway developments, and the U.S. defense production programme is spread over four to six years.

Prime Minister King tagged power for "defense production" in the United States and Canada, as the object of the new seaway engineering surveys. Further he said that these surveys had been initiated now so that "the entire project may be started without loss of a favorable construction season when final decision is reached between the two Governments."

Double Qualification

The Niagara water concession to Ontario, "to assist in providing an adequate supply of power to meet Canadian defense needs," is doubly qualified in Mr. King's statement:

1. It is contingent upon immediate agreement by Ontario to divert into the Great Lakes system "waters from the Albany River system which normally flow into Hudson Bay"—in other words, the Ogoki and Long Lac projects.

2. The U.S. consent to the greater flow at Niagara now is given pending the conclusion of a final Great Lakes-St. Lawrence basin agreement between the two countries. Whether this consent would be withdrawn if no agreement were reached is not stated. But presumably this was an implied part of the bargain when the U.S. agreed to greater Canadian use of the international water flow at Niagara, without a final deal on the seaway and with the Ogoki diversion two years from completion.

Premier Hepburn has already stated he is prepared to go ahead with the $5 millions Ogoki project. The water diverted through the Long Lac project can be turned into the Great Lakes system at any time, but this will amount to only 1,100 cubic feet per second, compared with 4,000 c.f.s. from Ogoki.

Mr. King's statement does not specifically say that the immediate extra flow allowed at Niagara is to be equal to the combined ultimate total of the two diversions but is so interpreted in informed circles.

Can Use Present Plant

Assuming this to be correct, the added flow of about 5,000 c.f.s. will enable the two Ontario plants right at Niagara Falls to increase their output of energy by 50-70,000 h.p. This can be done with present plants and equipment.

The extra flow could not be utilized at Queenston without a new power canal and generating plant. This would produce around 150,000 h.p. but would be very costly and probably would not be undertaken without permanent assurance of a still greater flow.

It is possible later on, however, that 1,000-1,500 of the extra Niagara flow may be utilized to double the present 50,000 h.p. development at Decew Falls, which draws water from the Welland Canal. This would require a new unit or plant extension, but the cost might be held down by transferring a generating unit from Ontario's Abitibi Canyon development. There are at present five generating units there, but four are believed ample for present and future needs.

The estimate of the increased output at Niagara Falls represents additional volume of energy to be delivered through the day, as distinct from gross capacity to meet peak loads. Used more or less evenly through the day, the added Niagara flow will yield about 50,000 h.p. extra, but this could be stepped up to 70,000 h.p. if concentrated at times of fairly heavy loads.

The existing plants at Niagara could use still further increases in water flow of 10-15,000 c.f.s., but it remains doubtful whether the U. S. is prepared to grant anything beyond the volume of the Ogoki and Long Lac diversions. However, this is conceivably possible from a broad seaway-Great Lakes treaty that would clear up the longstanding problem of remedial works, water flow control and scenic beautification at Niagara Falls.

Giving effect to the Long Lac diversion, and the promised completion of the Ogoki scheme, also paves the way for substantial increase in power resources elsewhere than Niagara Falls. This applies to waterways in northwestern Ontario and to reaches of the St. Lawrence River in both Ontario and Quebec. On completion of the Ogoki project, the following major power developments would be feasible:

1. With additional equipment at present plants and new plants at other sites, the power resources of the Nipigon River could be increased 90-100,000 h.p. with the Ogoki flow.

2. The Long Lac diversion makes possible development of 20-25,000 h.p. by erection of a plant where the Black River flows into Lake Superior.

3. The combined Ogoki-Long Lac flows will add 10,000 h.p. to the potential energy output of the privately owned plant at Sault Ste. Marie.

4. The combined flow from the two projects, passing through Niagara and Lake Ontario into the St. Lawrence River, adds 40,000 to potential power resources along the river in Ontario, 50,000 h.p. in Quebec. These additional resources could be developed through the seaway scheme or even through separate developments.

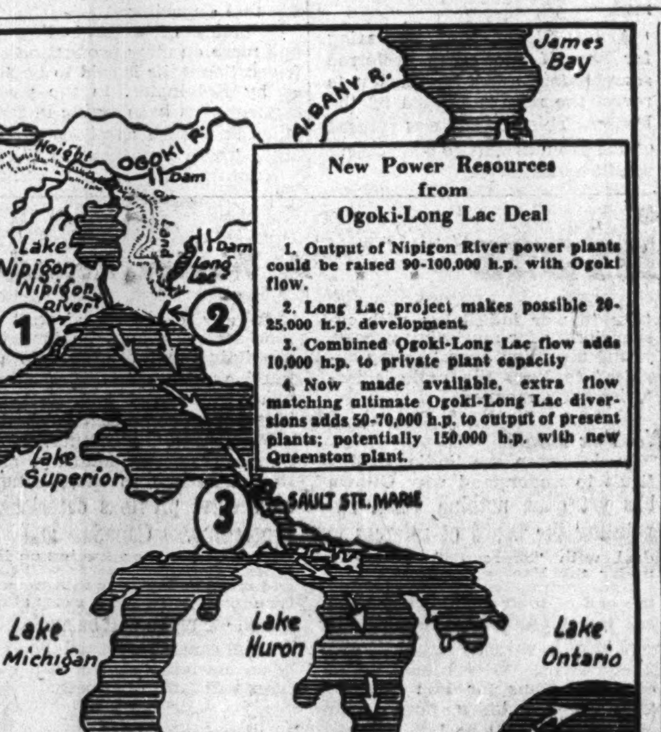
Quebec and Seaway

From Our Own Correspondent

MONTREAL.—The announcement from Ottawa of the new waterways agreement has created relatively little stir here.

The interest of Quebec in the St. Lawrence power-transportation scheme remains unabated. There is little support for the project. As far as the present agreement is concerned, the opinion is that the major project is still to be decided upon.

What interests Quebec is whether or not the current agreement is the first stage in a plan to go ahead with the development of the International section.



New Power Resources from Ogoki-Long Lac Deal

1. Output of Nipigon River power plants could be raised 90-100,000 h.p. with Ogoki flow.

2. Long Lac project makes possible 20-25,000 h.p. development.

3. Combined Ogoki-Long Lac flow adds 10,000 h.p. to private plant capacity

4. Now made available, extra flow matching ultimate Ogoki-Long Lac diversions adds 50-70,000 h.p. to output of present plants; potentially 150,000 h.p. with new Queenston plant.

Illustrated are additional power resources which will become available from the Long Lac diversion and eventual completion of the Ogoki diversion, to which Ontario is committed to replace the extra flow it has been granted for immediate power use at Niagara. Passing on through Lake Ontario into the St. Lawrence, the Ogoki-Long Lac flow will also increase potential resources along the river in Ontario and Quebec by 90,000 h.p.

The Nation's Business

(Continued from page 1)

significance of the air training plan very clear.

Hanson W. Baldwin, of the New York Times, stated bluntly that in his view this training programme is the only part of Canada's war effort which may in the near future exert a definite influence on the outcome of the struggle. Mr. Baldwin is acknowledged as one of the ablest war analysts on this continent.

It is clear from this and other comment that Canada must do everything possible to speed the training programme in two ways. First, by training more pilots beyond the present maximum figure of 8,500 annually. Second, that the programme reach its peak performance considerably ahead of the earlier schedule. Under this schedule the plan did not reach its peak in pilot production until November of next year.

Mr. Baldwin expects the testing point in the war will come not later than the spring of 1941 and that it is then rather than the following autumn that the real worth of this major Canadian contribution will be most apparent.

• • •

Mr. Power says that where five recruits are now accepted, the number is being raised to seven. He also announces a further reduction in the training course for pilots in the service flying training schools, and a 50% increase in the number of airmen from other countries who will be trained in Canada.

Just what these changes mean in terms of the end result, how much they speed the day when the programme will reach its peak, and how many more pilots will be made available, are points still not clear or certain.

What must be certain, certain beyond the smallest possible shadow of doubt, is that everything this nation has and can muster will be thrown into this air training programme.

No other part of our war effort, no matter how important it may seem to self-interested departmental officials, can compare with the imperious need for pilots and the machines and equipment with which to train them.

This is one part of the war effort—no matter what the cost and no matter what the demands of the other services—which must operate at a furious 24-hour schedule, seven days each week.

It is not enough merely to know that this plan has been speeded up. What alone counts is that the plan is being driven at or beyond the utmost limits of our brawn and brain.

• • •

Power Needs Moving Ahead of Politics?

It is creditable and encouraging that war urgency has seemingly placed power needs ahead of politics in the Great Lakes-St. Lawrence development.

For years, the U.S. has persistently refused to consider Great Lakes and Niagara power problems without involving Canada in a costly and unproved seaway undertaking.

Now, at last, Ontario is "permitted" to develop more power at Niagara. The seaway undertaking, except in respect of adequate power supplies for defense requirements, is reputedly placed on the shelf.

• • •

The additional Ontario power is to be obtained by permitting the province to divert waters now flowing into James Bay via the Kenogami River, into the Great Lakes system. This water will be utilized at Niagara Falls to increase hydro-electric power capacity at that point. The Kenogami diversion has been constructed for some time and can be used almost immediately.

As well, Ontario is permitted to use further water at Niagara for power purposes, equivalent to the amount she might obtain if she were ready to divert into the Great Lakes system water which now flows into James Bay via the Ogoki. This Ogoki diversion has not yet been built but Ontario is to have the equivalent amount of power at Niagara pending this construction.

• • •

This agreement is a common-sense, practical way of dealing with the present urgency. It is a plan which could and should have been considered long ago.

It is a plan that involves purely Canadian territorial waters.

The next step should be to implement the treaty shelved 11 years ago by the United States which would have created essential works at Niagara Falls to preserve the natural beauty of the river and allow additional water flow for power purposes by both Canada and the United States.

The present diversion for power purposes at Niagara is both wasteful and destructive, yet U. S. senators have pigeon-holed a treaty written in 1928 which would have corrected this. Mr. Roosevelt still refuses to consider the problem apart from the larger St. Lawrence seaway.

Right now he is probably stalling rather than permit—during an election campaign—private U. S. power companies to obtain additional power in this manner.

• • •

A further step should be a clarification of the rather nebulous reference made by Prime Minister King to the Government's intentions respecting the larger power and seaway problem.

If Ontario has received this concession by a "gentlemen's agreement" between the two countries to complete the whole seaway programme—power and navigation—it may have been obtained at terribly high cost. But if the larger St. Lawrence programme is merely being discussed in a practical way as a possible future supply of power, then the right approach has undoubtedly been made.

• • •

Adelard Godbout Speaks His Mind

In the Ancient Province of Quebec a new statesman is in the making; a logical successor of that other famous French-Canadian statesman—Sir Wilfrid Laurier.

He is Adelard Godbout, premier of the province.

When he came into power a little over a year ago, there were many who wondered how this quiet, little man would measure up to his responsibilities. He has given many evidences of his capabilities, but none greater than the speech he made this week in the little town of Rougemont, the centre of a mixed population of English- and French-speaking people that have always lived harmoniously side by side.

The occasion was the official opening of a new co-operative apple juice plant. Premier Godbout might have made a few inconsequential remarks. Instead he delivered a strong plea for greater understanding between the two major races in Quebec, warning that it was not by fostering sectionalism that the greatness of a country could be achieved. He said:

> "Anybody who, in these days, does not recognize what we all owe the British Crown and who doesn't know that it is Britain, and Britain alone, who today is fighting the fight for liberty and Christianity is a traitor."

Premier Godbout went on to list the virtues and shortcomings of the population generally and urged the need of education so as to better face the competition within the country and from other lands, friendly and otherwise.

> "Let us stop whining. Let us stop this everlasting—'the English have this, the English have that.' It's not through repeating this chant that we shall ever get anywhere, and it's not through petty jealousy that we'll improve the position of our country. Let us be brothers, let us work hand in hand for the greater good and development of this, our Canada, yours and mine."

It took a man of vision and courage to say these things in a province where sectionalism has been a strong force in provincial politics.

This is not the only occasion on which Premier Godbout has shown such qualities. His boldness of speech and breadth of vision bespeak a leadership of which Quebec and Canada may be justly proud.

• • •

Home Front Services Deserve Support

In time of war there is a tendency to overlook the "home front" community services. Public sympathy and support flows naturally to the "war services."

Both have an important job to do. The war job is usually more obvious. It can be dramatized instantly and effectively. It can take advantage of the inspiration and enthusiasm which flows naturally into any great war effort.

Yet the community service appeals which will be carried on in scores of towns and cities throughout Canada next week are, in their way, equally vital to the war effort.

It is these community services which are indispensable in sustaining the morale and efficiency of a large part of our population. Since war is essentially a period of great emotional and physical strain, every dollar and every service that can be spared to win these "home front" battles make the war effort that much easier and more effective.

Organized social agencies and "chests" in any community are invariably an index of well-planned, efficient welfare organization. Where such organizations are now making their annual appeal for funds, they are deserving of generous and sympathetic support.

De Havilland Doubles Sales

(Continued from page 1)

the year just closed. For one thing the company can be expected to apply to the yet-to-be-appointed board of referees for some special consideration under the Excess Profits Tax. Earnings have been limited in recent years and the average taxable income for the four years 1936-39 inclusive would only be around $31,000. As practically all of the company's activity for the past year has been direct war work, there will also be the question of special write-offs and allowances to consider.

Thus any predictions as to net profit are difficult. It can be taken for granted, The Financial Post is told, that there should be a good increase even after allowing for all possible tax and write-off requirements. Last year the company earned $67,236, or $24.86 a share on the preferred.

Prospects for continued capacity operations are said to be excellent. It will take until January to complete the present order for training planes. No further orders have yet been given but there is work in sight to keep everybody busy. The de Havilland is operating the Government built plant for assembly and repair of the Avro Anson training bombers. Erection of this plant is now under way and hints have been given that plans for additions to the assembly plant are ready.

At present de Havilland has around 800 workers but when the assembly plant is ready it is expected that a payroll of about $200,000 monthly will be necessary.

Arrears of dividends on the 7% preferred of de Havilland amounted to $61.25 a share at the end of 1939. Whether or not shareholders can expect any payment from the larger earnings now being experienced is not at all certain. P. C. Garratt, managing director, told shareholders at the first of this year that no dividend payment was considered advisable because of financial requirements of wartime production. With this production growing steadily, the same problem may make further postponement necessary.

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Sees No Need for Empire Cabinet

(Continued from page 1)

nouncement Dec. 20, 1916) of an Imperial War Cabinet.

This war cabinet consisted of the British war cabinet of five members plus a minister from each of the Dominions. Out of the deliberations of this war cabinet came the great developments after the war.

To begin with, each Dominion developed a proper external affairs department. Complementary to this the Foreign Office, which is the great pool of information in the British Government on international affairs, opened a branch in the Dominions office to which copies of all dispatches in and outbound were sent. Then came the development of branches of the external affairs department in the high commissioners' offices at London, a development in which Australia led the way.

All foreign office dispatches, plus reports of British cabinet meetings, are now circulated at once to the governments of the Dominions and it is the fact that today the prime ministers of the Dominions are much better informed of what is happening in the British War Cabinet than are ordinary members of the British Government or members of Parliament.

Well Informed

What the heads of the Dominion governments do with this information is up to them. At Ottawa it is evident that Prime Minister King regards most of this information as secret and does not pass it along to his colleagues.

That Mr. King is exceptionally well informed both on day-to-day developments in Downing Street and on long-range policy is abundantly evident. Every working newspaperman on Parliament Hill knows how uncannily the Prime Minister can forecast future war developments.

In addition to these channels of information, the high commissioners of the Dominions frequently sit in at cabinet meetings in London and report back direct. Moreover, members of the Canadian Cabinet have been frequent visitors in London since the outbreak of war. Hon. T. A. Crerar spent six weeks there in the fall of 1939. Hon. Norman Rogers was just back from London a few weeks when he met his death. Hon. J. G. Gardiner is in London now and Hon. J. L. Ralston will be leaving for London in a few weeks time.

Urge War Council

While there may be no urgent need of an Imperial War Cabinet, there is much support for an Allied War Council embracing representatives of the governments now at war with Germany and Italy—Poland, Czecho-Slovakia, Denmark, Norway, Holland, Belgium and free France. Most of these nations have small armies, air forces and naval units fighting the common foe. Moreover some of them are making immense contributions to British war strength on the economic and financial side.

For example, a report issued by the Department of Commerce at Washington a few days ago declares that, contrary to expectations, Britain's purchasing power in the U. S. has fallen only slightly in the first year of the war. The actual drop is given at $250 millions out of a reserve of $3,000 millions in U. S. securities and at least $900 millions in gold.

One of the reasons for this extraordinary showing is that very large dollar credits are amassed by the sale in the United States of rubber and other products from the Dutch and Belgian empires. The earnings of Norwegian shipping are also a substantial factor.

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Railways Announce Embargo on Wheat

Step Termed Inevitable to Avoid Tying Up Freight Cars

Western railways have now taken the action that was known to be inevitable within a short time, and have put an embargo on shipments of wheat from country elevators, to avoid tying up too great a number of cars with grain which, on account of congested terminals, cannot be unloaded for a considerable time in elevators at the head of the lakes.

The embargo is absolute on Canadian Pacific lines, and on the Canadian National in Manitoba and Saskatchewan, although the latter line will still allow 25 cars a day to be loaded in Alberta.

How long the embargo lasts will depend upon the rate at which clearances of grain can be made by shipments from lakehead terminals, which in turn depends upon the rate at which wheat can be absorbed by Canadian mills or shipped overseas to Great Britain.

It may possibly continue unabated until the railway companies are able to form a clear idea of what clearances from the lakehead are to be expected when lake vessels are called into service for the winter storage of grain after navigation closes on the Great Lakes.

Once full advantage has been taken of the relief thus afforded the embargo may be complete until navigation is opened in the spring.

There is a possibility still to be considered, in an extensive all rail movement of wheat during the winter to eastern ports, in order to fill up space as it is emptied by overseas shipments or by absorption of grain by Canadian mills.

There is no embargo on the movement of coarse grains, and one of the objects of the embargo on wheat shipments is to make sure that sufficient amount of terminal space is kept free to provide for the free flow of oats and barley to eastern markets.

The effect of the embargo on open market prices is yet to be determined. It leaves practically all of the wheat in saleable position in the hands of the Canadian Wheat Board. So long as other wheat was available and mills could secure their supplies for domestic use by bidding on the open market, there was an assumption that the Wheat Board might refrain from offerings, confining itself to sales for export negotiated with the British Cereals Import Board. Now the problem will arise as to the willingness of the Wheat Board to make continuous offerings, and whether or not they will be made at anything higher than the price the Board is currently paying as an initial payment on farmers' grain, plus, perhaps, accumulated carrying charges.

Then, too, there will be a problem as to the ability of elevator companies to reflect current market quotations in buying in the country grain which farmers wish to sell instead of delivering it to the Canadian Wheat Board, when the ability of the companies to get such grain to the head of the lakes in time for delivery on the May contract must be a matter of considerable doubt.

Elevator companies have announced that they intend to advance by one half cent per bushel payments to farmers on wheat delivered at country elevators to the Canadian Wheat Board as "street wheat," or in wagon load lots. Customarily there has been a spread, lately only approximately one cent per bushel, between payments to farmers for street wheat and wheat delivered in carload quantities.

Fine weather has enabled threshing, formerly interrupted by a long spell of wet weather, to be resumed. It can hardly be more than two weeks, unless threshing is further interrupted, before country deliveries have to come almost entirely to a stop.

More Refrigerators Sold in Canada

From Our Own Correspondent

MONTREAL.—Electrical household refrigerators sold in Canada last August numbered 4,637 as against 3,044 for the same month in 1939, according to returns compiled by the National Electrical Manufacturers Association.

There has been a consistent increase in sales for the current year, sales to the end of last August totalling 50,777 units, as against 38,286 units for the like period of last year.

Good Year Seen For Kelvinator

(Continued from page 1)

become of less importance to the company, it is understood, as a result of concentration of the refrigeration business.

This company is probably one that could be affected by the Government policy outlined by Hon. J. L. Ilsley recently when he mentioned that it might become necessary to restrict civilian purchases of durable consumer goods. Mr. Ilsley specifically mentioned refrigerators in this list.

It seems reasonable, however, to expect that this policy will only be placed in effect if the materials used in durable consumer goods are urgently needed for direct war needs and there is at the same time an opportunity to employ the manufacturing facilities and labor in more vitally essential work.

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Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Lachine Roman Catholic School	Oct.	Desjardins, Couture Inc.	4½%	1-10 ser.	$34,000	100	....
Dominion—							
Canada Treasury Bills	Oct.		...	Jan. 16/41	$40,000,000	99.836	.653%
Sudbury R. C. Schools	Oct.	Harris, MacKeen, Goss & Co.	4½%	1941-55	71,000	...	....

London Calling

by Atticus

War Has Destroyed Far More Reputations So Far Than it Has Made — Prime Ministers' Sons

LONDON.—This is a war which has destroyed far more reputations than it has made. Not a single general in any army has become a world figure, nor has any admiral captured the public imagination. Even in the air, where the fierce glare of battle beats every day and night, there is no one pilot or one commanding officer whose name has become common property.

It may well be that the average of courage in our fighting services is so high, and the quality of their direction so remarkable, that no one man can excel where all are excellent.

However, we should not allow so considerable a figure as Air Marshal Sir Edward Ellington to pass without paying tribute to his remarkable services to the Air Force. He was received recently by the King, who, as an Air Force officer in the last war, would know of Sir Edward's great services.

• • •

A Man of Faith

Few of the public today realize the debt the nation owes to the flying men who kept their faith through the long, lean years. Each Chancellor of the Exchequer, without exception, begrudged the Air Ministry grant, while each Secretary of State for Air pleaded in turn for crumbs from the Treasury's table. The services of Lord Trenchard have been too easily forgotten, while Lord Londonderry and Lord Swinton, who both crashed as Air Ministers, have not yet received the final verdict of history. The Air Force which today is beating Goering's Luftwaffe was not built yesterday or last year.

One of the men who never lost faith was Sir Edward Ellington, who took his pilot's certificate, No. 305, on October 1, 1912. When the war broke out last year there were many who thought that he would become the Air Generalissimo, but the strain of his long service had told on him, and early this year he indicated that he desired to retire. It must have been a difficult decision for him to take. No one so connected with the R.A.F. these days could part from that glittering Service easily.

Sir Edward never sought and never attracted the limelight. His manner is quiet, he makes a few words do. He is a bachelor of 63, tight-lipped, good-looking, of medium height — a man who would pass anywhere for an alert director of a large bank. But he had one passion, the airplane. As a young artillery officer before the last war he succeeded in getting himself transferred to the Royal Flying Corps and went up in those primitive machines which army experts scoffed at as the playthings of madmen. Sir Edward ended his adventure in 1918 as Director-General of Aeronautics.

Unsmiling but kindly, he did his task well. When the time comes to apportion the credit for the glorious performance of the R.A.F. the name of Ellington will have to be included.

• • •

Bishop, V.C.

A different type altogether is that romantic figure "Billy" Bishop, V.C. (now a Vice Air-Marshal) who has turned up from Canada. I knew Bishop very well in the former misunderstanding with Germany, and gloried in his exploits. He had been a cavalry man and he regarded the airplane merely as a faster horse. He did not care what made it work so long as it carried him into action and gave him a chance to shoot. He became a truly remarkable shot and the higher his score of victims mounted the more his china-blue eyes grew humorously pensive. His opponents were targets, not human beings, and he liked shooting.

Last summer I visited him in Canada at his summer home and we played golf. Alas! That unerring eye and steady hand were helpless when it came to hitting the little white ball. He would not survive two rounds in our Parliamentary handicap. I am glad that he speaks so well of the Canadian training scheme for pilots. It has come through many vicissitudes and seemed for a time to be almost stillborn. Now, apparently, it will emulate Niagara and give us a never-ending torrent of well-trained airmen. That is good news, for training in British skies has become a somewhat hazardous proceeding.

• • •

Premiers' Sons

After a series of punishing defeats the Premier's son, Randolph Churchill, has won a bloodless victory and will now join the gallant six hundred at Westminster. No doubt he will have mellowed since the days when as a young politician he not only rode ahead of the hounds but in front of the fox. He always had courage. Time will no doubt bring him adroitness, and certainly as the son of his father and the grandson of Lord Randolph Churchill, everyone will wish him well.

So far none of the offspring of our Premiers have looked like emulating the younger Pitt. Earl Baldwin's son Oliver was of the opposite political faith to his father, and was rather too much of a romanticist to carve a career in the austere ranks of labor. Gwilym Lloyd George has the disadvantage of belonging to a party which seems destined to be in a permanent minority. Besides, he is so devoted to his father that he would not think of trying to imitate him, yet could not bring himself to model his career on any other.

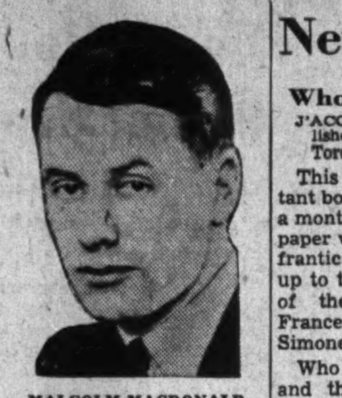
Richard Law has some of the attractive diffidence of the late Bonar, and has won the regard of the House by his quiet independence of spirit; but one cannot see him grasping destiny by the horns and rolling it in the mud. If the world continues to revolve on its axis instead of the Axis he will no doubt reach Cabinet rank. I cannot see him ever as a Prime Minister in the stormy post-war era.

Malcolm MacDonald is perhaps the strongest justification of the hereditary system in the House of Commons. He achieved office because of being his father's son, but now he would be included in any Ministry on his merits. Even so, I doubt if we shall see the record of the two Pitts being equalled in our time.

• • •

M.P. Lost at Sea

The list of M.P.s who have lost their lives in the war now includes the name of Colonel James Baldwin Webb, who lost his life in the cruel sea disaster when so many children, en route to Canada, were drowned.



MALCOLM MACDONALD

I can remember few men who altered so little with the years or who remained at once so friendly and so inscrutable. He always gave the impression that his day, like his whole life, was perfectly organized. He never drifted from the Lobbies to the Smoke-room like the rest of us. If that was where he was going, he went there. He was an indefatigable host to his constituents and seemed constantly to be showing them around the House. Oddly enough he seemed far more interested in securing signatures for resolutions, or attending committees, than in taking part in the rough and tumble of debate.

The last time I saw him was when we sat together at the recent luncheon where Mr. Eden addressed a large audience. We talked of many things, but Baldwin-Webb never mentioned his approaching visit to Canada.

He was tall, impressive-looking, a bachelor, a director of companies (none of which I can recall), an only son, a good soldier, a former member of the Birmingham City Council, and a member of the Livery of the Worshipful Company of Coachmakers. I was acquainted with him for more than 10 years but, although liking him, never really knew him. There was nothing sensational or spectacular about him, and it seems a strange fate that on a special mission to America he should have been trapped and have gone to his death in the merciless sea. His constituents will mourn the M.P. whose joy was to conduct them about the corridors of the Palace of Westminster.

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The Post-Bag

Canada's Star

Here is an extract received in Canada from a British publisher.

> "Canada has a great chance to be the hub of Empire . . . if she has the vision to deal with the great upheaval that will take place during and after the war . . . Millions of people here will be on the move. Skilled men can be attracted, great new industries created and a large home market made for farms, forests and mines. This place is overcrowded and Canada will be able to take her pick of the finest race in the world.
>
> "Either someone on your side is going to be big enough to see this and bring it about; or Canada will become just another wheel on the U. S. cart. . . . ."

• • •

Third Term O.K.

Cyrus S. Eaton of Cleveland, Canadian-born investment banker, sees no great hazard to American institutions in a third term for the president. In an article in the New York Evening Post, Mr. Eaton quotes Britain and Canada as evidence.

Walpole was Prime Minister for 21 years; the younger Pitt for 20 years, Gladstone and Salisbury 13 apiece and Palmerston and Asquith nine years each.

In Canada, he recalls, MacDonald was P.M. for 19 years, Laurier for 15 years and King will have been Prime Minister for 19 years if he serves out his present term.

• • •

Last Letter

Earlier in the year a Canadian businessman received a letter from a woman in England asking him to assist her in finding a home for her daughter, aged 14. Several letters passed as the businessman made enquiries. In the meantime the mother, at his suggestion, was in touch with the British Overseas Reception Committee and Canada House.

Last week the Canadian received a brief note from the mother. It began:

> "Thank you very much for your efforts on behalf of my daughter, Cynthia. She was on her way to Canada. The ship was torpedoed. She was not among those rescued."

• • •

Law and Order

Another thing that has astonished American editors and correspondents visiting Ottawa recently, has been the complete lack of bodyguard protection for the Prime Minister of Canada. To see the P.M. walking down the street by himself or strolling through the corridors of the Chateau Laurier without even a secretary at his side was a sight they found almost incredible.

One group of 30 editors who held a conference with the Prime Minister and six members of his war cabinet, found that the only other person within 50 feet of the Prime Minister's private office was a single private secretary.

Accustomed as they were to seeing aides and G-men in large numbers surrounding the President and other top officials at Washington, they found Ottawa's more casual ways a convincing demonstration of the rule of law and order in Canada.

• • •

Co-ordination

In one large Canadian city which has not yet co-ordinated its war service appeal, the head office of a national organization is doing a little co-ordination on its own.

It is permitting employees to make a single monthly deduction from their pay envelopes for whatever charities they wish to support.

The firm sends the list to its employees and asks them to designate which charities or war services they wish to support and then deducts the total amount of the contribution on a monthly basis.

This saves much time and effort.

• • •

Vitamin B

Puros flour, the new product developed by Dr. Fred F. Tisdall's Pediatric Research Foundation of Toronto, gives the public white bread containing the vitamin B (and several others) without extra cost. Britain is spending $60 millions to add the vitamin to its wartime flour, recognizing the urgency of maintaining national health in wartime.

But if you are one of those wise people—10% of the population—who eat whole wheat bread, you do not need to worry about the vitamins. You get them anyway.

• • •

Secret-Spillers

Ottawa officials do not know what to do about Cabinet ministers who spill war secrets. One minister went down to the United States the other day and in a newspaper interview gave out some important production figures that had been carefully guarded for months. Another minister met a deputation the other day and, without any warning that his remarks were "off the record," gave away a piece of information that had been regarded as entirely "hush-hush."

• • •

73 Million Bushels

When Canada's big crop came along Ottawa urged owners of line elevators in the West to add annexes to their buildings. It was hoped to get about 30 million bushels of cheap storage this way.

Annexes built to date have increased western grain storage capacity by 73 million bushels.

• • •

Not One Cent

F.E.C.B. officials, by the way, do not always agree on their rulings. One told a member of the staff of The Post who had occasion to cross the boundary line for lunch that he would need a travellers permit to carry money with him. Another said no permit would be necessary for "chicken feed," say up to $5.

We checked up with a customs man at the border. He said he would be liable to 15 days suspension if he let a Canadian out even if he had only a nickel on him and it did not make any diference if the nickel was U. S. or Canadian.

New Books . . .

Who "Betrayed" France?

J'ACCUSE. By André Simone. Published by Longmans' Green & Co., Toronto. Price $3.

This is unquestionably an important book. It was completed less than a month ago. It is one French newspaper writer's story of the last seven frantic years; of the events leading up to the war, of the war itself and of the ignominious collapse of France. It is the work of André Simone.

Who is André Simone? The jacket and the introduction by Carleton Beals do not say. It seems a safe assumption that the name is a pseudonym. All we know is that Simone was a member of the staff of a Paris newspaper; that he was in fairly intimate touch with international circles in Paris, that he conversed with premiers, and foreign ministers. His book is an exposé; it professes to give the inside story of how France was "betrayed."

But if the book is important for the "inside" tales it tells, many of them obviously unsupported gossip—it is also important for another and more important reason. It is the alibi of the "Front Populaire," of the French Communists and left-wing Socialists.

Why France Fell

It seems pretty clear now that France collapsed because she had gone soft. Soft from the influence of rot and corruption in high politics—both on the Right and Left. Soft from the penetration of communistic ideas. Soft from the 40-hour week, and socialist-inspired strikes, and "peace" propaganda in the army when the enemy was at the gates. France lost her war with Hitler because, while Germany was working to become strong, France was loafing to become weak. Successive French ministries made any sort of a temporary deal to buy off a potential enemy rather than get ready to stand up and fight. Instead of telling the facts of life to the people and arousing them to work hard and deny themselves in order that France might gird herself for the fight, the supposed "leaders" of France sang lullabies of social legislation and vied with one another to make France's "New Deal" one worthy to rank beside the political pretenses of the New Deal across the sea.

These are facts; and facts that will one day be written by the historian. The left-wingers of France know that; they are rushing into print with their story; trying to shift the blame, pointing out the all too evident corruption on the Right in order to divert attention from their own sell-out of a mighty nation.

The "Red" Version

The Simone book has obviously been published for that purpose. It is designed to show that those who betrayed France were the "200 families," the regents of the Bank of France, the industrialists, the fascist-minded politicians and the paid agents of Hitler in high places.

There are plenty of libels in Simone's book; no British or French statesmen holds too high a place to be the target of the kind of cynical slanders of which any French pamphleteer is a past master. One statement the author makes is all too true: when France entered the war she was split from top to bottom. But who split France; what policies weakened her? No enlightened observer can feel that André Simone, writing in "the white heat of anger," has given the whole answer.

Editor Pays Tribute To "A Great Canadian"

Canadian Statesman, Bowmanville

We have a file in our office that is out of the ordinary. It is not indexed and it is always close at hand. It contains items which strike us with unusual force as we go over our daily mail or scan the newspaper. It is made up of references to and letters from outstanding people of the Dominion of Canada. It is not a large file because as editor of a community weekly, our contacts with the great and the near-great are necessarily infrequent.

Only yesterday we withdrew from this file a three-page, closely typed message to us from Col. John Bayne Maclean, Founder and Chairman of the Board of MacLean Publishing Company Limited, Toronto. This message is dated Nov. 26, 1937. And here is an extract from it:

> "Above everything, watch and study the increasingly aggressive foreign-inspired subversive groups seeking to create disunity and spread evil doctrines. As I see it, it is the most serious problem facing us in this country today and will become increasingly so."

There was more, much more, but this again caught and held our attention. Let it be noted that this was written long before Hitler marshalled and marched his legions. Here was a Canadian patriot warning us about the Fifth Column. What a tragedy that men of such foresight and calibre were not at the helms of democratic states in pre-Munich days!

Let us explain how this message came to us. In 1937 the editor of the Statesman was president of the C. W. N. A. and as such we wrote to a number of prominent men of Canada asking:

> "What endeavor would you recommend to the 600 editors of weekly newspapers in Canada, with their six million readers, to make Canada a better place in which to live and work?"

Col. Maclean's response was this far-seeing three-page message. We treasure it, and this is the humble attempt of a country editor to pay tribute to a great Canadian. Through his national journals and trade magazines, Colonel Maclean has contributed vastly to Canada's present position among the world's democracies. And quite aside from influencing public opinion through the columns of his two outstanding leaders, "The Financial Post" and "Maclean's Magazine," his endeavors have been even greater. That is a story yet to be told.

Colonel Maclean was long a friend of the present editor's father. His friendship and counsel has been extended to the son, so, every little while we turn to this file to renew our faith in humanity to get a glimpse into the future, to read the message from an outstanding Canadian, venerable yet active, kindly yet resolute, far-seeing and fearless, defending all things truly Canadian in the British tradition and within an indissoluble Empire.

—BUSY MEN—

appreciate the advantages of a Living Trust

They know how disconcerting investment matters can be when there are important business problems to be solved. They know that concentration is the all-important factor in business efficiency.

WE take over investment details under a Living Trust. Funds are managed and paid as you direct, to you or others. A brief discussion, arranged at your convenience, will suffice to explain this plan.

Ask for our booklet "Agency Service."

Crown Trust Company

Executors :: Trustees :: Financial Agents

MONTREAL TORONTO

Inter-State Royalty Reports on Position

From Our Own Correspondent

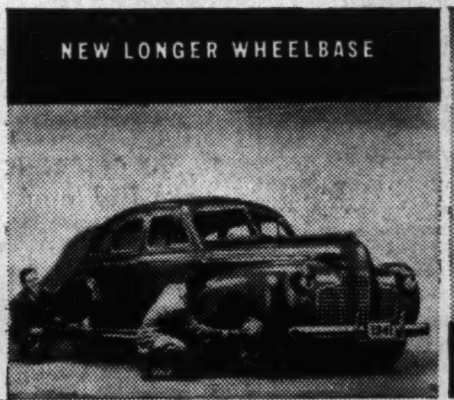
MONTREAL. — Inter-State Royalty Corp. reports that at Sept. 30, 1940, company investments in all royalties had a book value of $1,056,820.

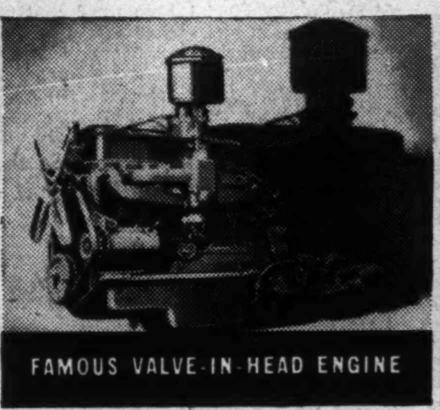
During August the company had a gross royalty income of $3,675, while the accumulated royalty income for the current year to the end of the month amounted to $35,553.

Gross revenue from royalty income since acquisition amounted to $483,495 up to the end of August, and the reserve for depletion $132,961 to the same date.

FEATURE BY FEATURE

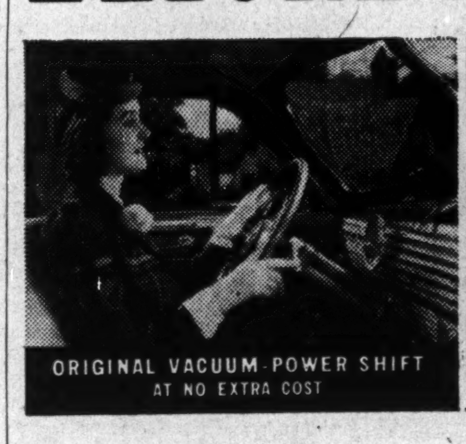
THRILLING NEW BIGNESS



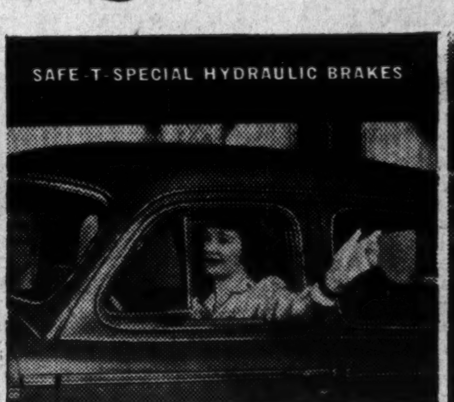


LONGER, LARGER, WIDER FISHER BODIES WITH NO-DRAFT VENTILATION

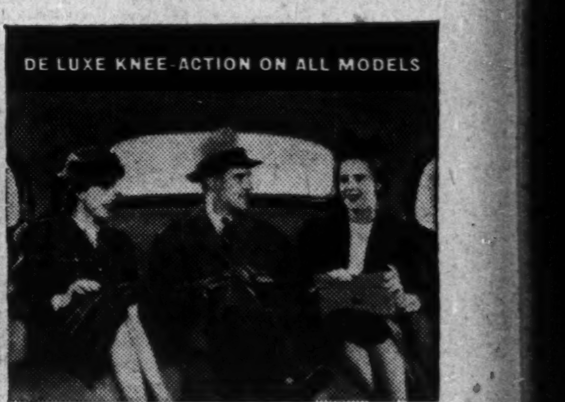
FROM BUMPER TO BUMPER



ORIGINAL VACUUM-POWER SHIFT AT NO EXTRA COST



DASHING NEW "ARISTOSTYLE" DESIGN WITH CONCEALED SAFETY STEPS AT EACH DOOR



DE LUXE KNEE-ACTION ON ALL MODELS

YOU'LL SAY IT'S

"FIRST BECAUSE IT'S FINEST!"

MEET the new Chevrolet for '41 and you'll meet a motor car of such thoroughly first-rate design and quality that we are confident you'll say, "It's first because it's finest—Again Chevrolet's the leader!"

For this car is the result and the reward of almost ten solid years of Chevrolet leadership in motor car sales . . . leadership that now makes it possible for Chevrolet to offer you a motor car unequalled for value and luxury in the lowest price field.

This new Chevrolet for '41 is a much bigger car in all ways—with a longer wheelbase and greater over-all length—with longer, larger, wider Fisher Bodies—with "3-couple roominess" in sedans.

And it's the best-looking motor car you've ever laid your eyes on—with dashing new "Aristostyle" design—with the smartest, smoothest front and fender treatment in the entire field for '41—and with concealed safety-steps (instead of conventional running boards) at each door to assure easy, comfortable entrance and exit.

Moreover, when you drive this bigger, more beautiful, better-balanced car, you'll find that it fully maintains Chevrolet's reputation for dynamic performance and comfortable drive-and-ride leadership among all cars in its price range.

Because it has the exclusive Chevrolet Valve-in-Head "Victory" Engine . . . because it gives you extraordinary acceleration and hill-climbing ability together with the greatest economy . . . Because it alone combines Chevrolet's original Vacuum-Power Shift, De Luxe Knee-Action with balanced springing front and rear, and Improved Shockproof Steering . . . Because it is designed, engineered and built to be first again in performance with economy.

We cordially invite you and your family to visit your Chevrolet dealer's showroom, where Chevrolet for '41 is now on display . . . Make a thoroughgoing test of the finest motor car Chevrolet has ever built . . . Eye it, try it, buy it!

NEW 1941 CHEVROLET

WHAT'S *Your* PROBLEM OF PLANT EXPANSION?

JOHNS-MANVILLE can help you solve it . . . Expert advice on planning . . . Speedy delivery on materials, from warehouses all across Canada.

JOHNS-MANVILLE BUILDING MATERIALS

JOHNS-MANVILLE JM PRODUCTS

★ J-M BUILT-UP ROOFS ★ J-M CORRUGATED TRANSITE SIDING ★ J-M INDUSTRIAL FLOORING ★ J-M INSULATING BOARD PRODUCTS ★ J-M ASBESTOS WALLBOARDS ★ J-M ROCK WOOL INSULATION ★ J-M INDUSTRIAL INSULATIONS ★ J-M PACKINGS ★ J-M GASKETS ★ J-M REFRACTORIES

and many other essential materials for factory, shop, mill and office

CANADIAN JOHNS-MANVILLE CO. LIMITED TORONTO 6 ONT.

Investment Trends

Next Month Removes Important Obstacle

U. S. Presidential Election Source of Uncertainty Added to the War's Dangers — Stock Price Declines Nullify Gains

For about six weeks now stock markets here and in the United States have made no progress. The habit of losing this week any gains made last week has continued. Stock price averages remain fairly close to the highs for the rise which ended early in September, but have been unable to progress higher.

Such performances cast doubts on likelihood of any immediate, and sustained, advance. A few observers have even gone so far as to predict that the chances were in favor of lower prices.

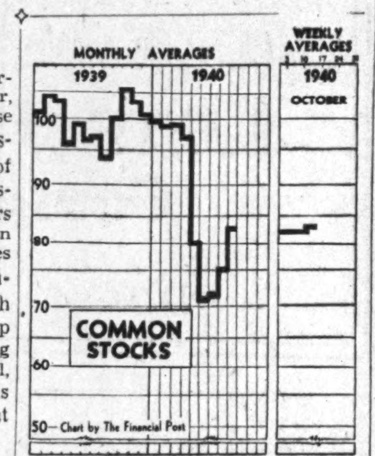
New phases of the war seem continually breaking out just as the markets are getting close to an appraisal of the probable effects of the previous moves. That such a situation may continue seems very likely and this brings such a measure of uncertainty as to discourage any but the more hardy of investors.

Early next month one factor holding back stock markets in the United States will be removed. Re-election of President Roovevelt for a third term should do little to change investor attitude, but if Willkie were to be successful, a marked shift in investor psychology might result.

• • •

Overdone Pessimism

Common stock prices have over-discounted the uncertainties of war, excess profit taxes and other adverse factors which might disturb investor confidence, in the opinion of City & Dominion Co., general distributors for Corporate Investors Ltd. In spite of market appreciation since the end of June, stock prices are still far behind business. Ordinarily the two lines parallel each other fairly closely and the gap which has developed since the spring of 1938 has obviously been abnormal, becoming wider in recent months than at any time during the past ten years, they conclude.



"The important thing to be realized now is that the gap between business and stock prices has narrowed somewhat since the end of June, in the face of higher taxes, and even in the event of military setbacks, unexpected early termination of the war or other unforeseen developments, it is our belief that the trend of the common stock price curve will continue upward, with minor interruptions, until it approaches a more normal relationship with business."

* * *

Advertising Pays

Indications that aggressive selling methods, combined with good services for customers, can bring new clients to a stock exchange firm is given by the experience of the large New York firm of Merrill Lynch, E. A. Pierce & Cassatt. A feature of this firm's promotion efforts has been numerous display advertisements placed in leading newspapers. Both the space used and the appeals stressed have been unique in stock exchange publicity work.

Reports from New York give some idea of how successful this advertising campaign has been. Over 7,000 new accounts have been added to this firm's books since it started its advertising campaign about six months ago. Many of these have not been large accounts, with about one in nine, it is said, falling below the $5,000 mark. In August this firm added 773 new accounts and 1,211 in September. It is said that the belief that a larger number of small accounts will give better returns than a few large accounts over a considerable period is one feature of the ideas on which this promotion campaign is based.

Stock exchange firms in Canada have been as hard hit by disappearing volume of transactions as those in New York. The problem of how to find new business is just as important here as in the United States if the machinery established to make our capital market function is to continue effective.

* * *

United States Has Its E.P.T.

It seems inevitable that any proposals to tax "excess" profits should meet sharp criticism on the grounds that they bear more heavily on certain industries than on others and that it discourages expansion. The measure recently enacted in the United States is no exception.

Main provisions of the U. S. Excess Profits Tax are relatively simple although the whole bill is very complicated. It contains three vital provisions.

1. Corporate income tax rate is increased from 20.9% to 24%. (The Canadian rate is 18% for non-consolidated returns, plus a minimum of 12% E. P. T.)

2. The Government will take about half of earnings in excess of an 8% return on invested capital. There is an alternative method whereby companies may elect to pay about half of the amount by which earnings exceed the average for 1936-39 inclusive.

3. Plants constructed for defense purposes may, under certain conditions, be amortized in five years while profit limitations on defense contracts under former acts are repealed.

Study of the effects of the new U. S. measure appears to show close resemblance to those made on the Canadian tax. Earnings will, of course, be less than they would have been without the tax. But in general there will remain a comparatively high earnings rate.

United States industries likely to be most serious affected include the machine tool, aircraft manufacturing and automobile parts companies. Only moderately affected will be the automobile, chemical, mail order and variety chains, steel, mining, oil and stable industries. Least affected are apparently going to be airlines, railroads and railroad equipment.

Prov. Transport Services Widen

Now Has 172 Highway Buses and 23 Coaches in Operation

From Our Own Correspondent

MONTREAL.—Provincial Transport Co., controlled by Montreal Tramways Co., reports that it now has in operation 172 highway coaches with a total seating capacity of 4,722. This is in addition to 23 city service coaches with a total seating capacity of 552.

In regard to operations last year the company reports that Provincial Transport and Colonial Coach intercity services operated 176 coaches; carried 2,368,421 passengers; ran up a mileage of 5,299,544, while passenger revenue totalled $1,436,901.

The Kingston city and Sherbrooke city services were provided by 20 coaches which carried 2,391,909 passengers over 627,567 miles of route. The passenger revenue from the city services totalled $141,137.

Collingwood Terminals Earnings Improve

Capacity utilization of the two million bushel grain elevator storage capacity of Collingwood Terminals in recent months is expected to result in improved operations for the year ending Dec. 31, 1940. It is possible that the full year will result in a gain in profits sufficient to reduce the deficit carried forward in the 1939 balance sheet by around $50,000 to approximately $100,000.

In 1939 Collingwood Terminals reported a net profit of only $276 but this was a substantial improvement over preceding years. It is said that a portion of better earnings this year is being used for needed repairs and improvements. Substantial reduction has been made in the $76,034 of principal and interest due the town of Collingwood which was in default at the end of 1939.

Can. Consold. Felt Gives Up Charter

From Our Own Correspondent

MONTREAL.—Canadian Consolidated Felt Co. Ltd., wholly-owned subsidiary of Dominion Rubber Co., has surrendered its federal charter.

This company was established 1910 for manufacturing hair and wool felt and knit goods. The plant is in Kitchener.

Dominion Rubber Co. has had financial stake in the company for some time and last May secured full control.

Scarboro Cuts Debt Sharply

5 Years Ahead in Debenture Retirement — Also Cuts Bank Loan

Scarboro Township, Ont., is retiring debentures on Dec. 15 which the 1939 refinancing plan provides until 1945 to meet. Total of $204,237 of debentures will be paid off, including $64,197, which falls due in accordance with the 40-year refinancing plan. The balance of $140,041 would not mature until 1941-45. The township's debenture debt totalled $3.3 millions at Dec. 31, last, so the Dec. 15 retirements represent about 6% of the total funded debt.

At the same time repayment of $50,000 on an $111,000 bank loan will be made. The loan was for local improvements. Debenture and bank loan retirements will result in a yearly interest saving of $8,500 to the township.

J. O. Kessack, treasurer, reports improvement in tax collections this year. Receipts of $486,700 in the first nine months of 1940 are $36,700 higher than in the same period of last year. Tax roll of $636,000 is expected to be exceeded.

Assessment Increases

During the past five years a steady increase in assessment has been shown, and the current figure is about $10.7 millions. Reduction in debt serves to attract industry and new homes, according to Mr. Kessack, and improvement has been shown recently. Two factories have been established this year and negotiations are under way for others.

Substantial reduction in relief costs is reported. Number of families on relief in September was 179, compared with 705 a year previous. Costs have been less than anticipated, so a substantial surplus is looked for in 1940 accounts.

A policy has been adopted of meeting all capital expenditures from current account.

Jam. Public Service Conserve Position

Pay Off Large Share of Notes in Past Year — Earnings Maintained

From Our Own Correspondent

MONTREAL. — Jamaica Public Service consolidated interim balance sheet as at Aug. 31, 1940, shows that over the past year there was a reduction in the secured notes payable from $228,733 to $111,933. At the same time the long-term funded debt of the operating company declined $28,397 to $1,905,708. These operations are reflected in a reduction of cash on hand and in the special deposit account from $469,944 to $232,571.

During August the company reported further increase in operating revenues, the latter amounting to $95,710 as against $84,006 in Aug., 1939. This gain was offset by larger operating expenses, so that net income of $19,604 was $727 less than in the same month last year.

Net Earnings Hold

Comparative figures on the consolidated income accounts for Aug. 1940 and 1939 follow:

Consolidated Income Statement
August

	1940 $	1939 $
Oper. revenues	41,737	35,539
Net revenue	28,302	28,746
Net income	19,604	20,331
12 Months Ended August		
Oper. revenues	1,053,369	988,148
Net revenue	315,168	315,822
Net income	207,412	215,032

Dominion Coal Co. Hoists More Coal

From Our Own Correspondent

MONTREAL.—Dominion Coal Co. reports an output in September of 414,990 tons, or 3.7% over the same month last year. Compared with August, 1940, there was a seasonal drop, production being off around 39,000 tons.

For the first nine months of the current year the company had an output of 3,720,773 tons. This is the best reported for any like period in the past several years and compares with 3,243,831 tons in 1939.

Canadian Vickers Secures Big Order

From Our Own Correspondent

MONTREAL.—Six more steam-driven minesweepers will be built at the shipyards of Canadian Vickers Ltd. in Montreal, according to Hon. C. D. Howe, Minister of Munitions and Supplies.

The vessels will cost about $600,000 each, making a total of over $3 millions for the lot. They will be of the same type as those now being built at Vancouver and in Toronto.

Market Opinions

Suggestions that further shocks might mean unsettlement of stock prices brings comment this week.

Brookmire Counselor, N.Y.—The advance in the stock market has manifestly met considerable resistance in the past six weeks. On the one hand, unsettling events have brought out very little selling. On the other, it is only reasonable to suppose that, if the news from abroad should bring further shocks, the market would be somewhat more vulnerable at these advanced levels than at those prevailing some weeks ago. The logical attitude for clients to hold under these conditions may be expressed in the phrase "constructive vigilance." Concretely, clients should be alive to the dangers in the present world situation, yet maintain a broad perspective based on basic recovery plus the stimulus of the defense programme.

* * *

Barron's, N.Y. (The Trader)—What the imponderables, war and politics, have in store it is futile to try to conjecture. Entrance of the United States into the war would almost certainly spell drastic controls of corporate and individual incomes. Meantime, the outlook is for a terrific boom, foreshadowed by the continued cumulative rise in incoming orders, renewed strength in commodities, the still pending allotment of $4,000 millions additional defense contracts and plans for wholesale South American credits. Such a prospect is not ordinarily that which makes cash desirable. Yet the excess profits tax places a firm ceiling upon corporate earning power. Under the circumstances there is no good reason at the moment to anticipate a violent market movement in either direction.

* * *

Barron's, N.Y. (The Dow Theorist)—The Dow-Jones industrial and railroad averages provided no new indications in their price movements last week. While the industrials declined below the last minor low of 131.76, the rails held above their corresponding level of 28.27. The Dow theory interpretation continues to be that the market is in a secondary uptrend in a bear market.

* * *

The Annalist, N.Y.—It is probable that uncertainty over the election has had some influence in pushing stock prices down during the past week. There is often a reaction in October, even when the election outlook is regarded as pretty clearly favorable.

From a technical standpoint the market is in a position in which a moderately substantial technical readjustment could easily occur. Successive upward waves of prices during the past two months have been marked by diminishing strength. The market's last rally running from Sept. 28 to Oct. 3 barely pushed prices above the late September high points.

* * *

Financial World, N.Y.—There is no change in previously outlined market policies. Because of admitted abnormalities in the current situation, good grade income stocks should continue to constitute the bulk of the investor's holdings, with the more speculative business cycle issues in the minority.

Company Reports

Federal Grain

Federal Grain Ltd. financial statement for the year ended July 31, 1940, shows a sharp expansion in earnings. Gross income from all sources totalled $851,852, as against $403,841 the year before. After increasing the reserve for depreciation from $170,740 to $436,434 and providing for income and excess profits taxes, there was a net profit for the year of $94,141. This compares with a deficit of $25,076 the year before.

Expansion in the volume of business handled by the company last year is reflected in the balance sheet. The net working capital shows a minor decline despite the rise in earnings. This is explained by an outlay of $164,000 on capital account, and the purchase of nearly $200,000 par value of the company's own bonds in anticipation of sinking fund.

Carry Large Inventory

The principal change among the liabilities, aside from a reduction in the funded debt of $3,104,000 to $2,949,000, was the appearance of a new bank loan of $2,315,557. The latter finds reflection in an increase of wheat purchased on account of the Canadian Wheat Board from $436,581 to $1,451,793. In addition, grain held by the company increased in value from $124,018 to $2,137,871. In addition the advances secured by grain moved up from $9,056 to $132,619.

The property account increased from around $8.3 millions to over $8.5 millions.

Work for C.W.B.

In his remarks to the shareholders, H. E. Sellers, president, stated that the company had arranged to provide temporary additional storage of approximately 5 million bushels. "We are operating again under contract to the Canadian Wheat Board on the same terms and conditions as last year with the exception of a one-third reduction in storage rates. The loss of revenue resulting from this reduced rate will be offset to some extent by our increased storage facilities."

Comparative figures from the profit and loss account follows:

Income and Surplus Account
Years Ended July 31

	1940 $	1939 $
Gross income	851,852	403,841
Less: Exec. salaries	48,650	48,388
Depreciation	436,434	170,740
Bond interest	176,940	187,841
Exchange	19,048	......
Directors' fees	1,500	1,500
Net revenue	169,281	‡4,628
Less: Organ. exp.	10,000	5,000
Loss Fixed assets	19,139	15,448
Income tax	46,000	......
Net profit	94,141	‡25,076
Previous surplus	295,066	320,142
Surplus forward	389,207	296,066

‡Deficit.

Working Capital

Current assets	4,081,955	1,524,172
Current liabilities	2,927,813	399,485
Working capital	1,054,142	1,124,687

Hayes Steel Products

Hayes Steel Products Ltd. reports operating earnings for the seven months ended July 31, 1940, slightly higher than in the full year 1939. Because of a change in the company's fiscal year, a straight comparison of results with the immediately preceding period is not possible.

Net profits for the past seven months were lower than in the preceding year, chiefly because of necessity of providing $144,500 for income and excess profits taxes against $39,000 in the previous year. On the common shares now outstanding, Hayes Steel earned $1.04 a share. No dividends were paid on the common.

Armament requirements have created a large demand for the company's products, according to Charles A. Dana, president, and plants are operating at full capacity.

During the past year 5,779 shares of common stock were sold for $25 a share and all of the company's preferred shares were redeemed. Thereafter, the 30,000 common shares outstanding were split into 90,000 shares and the authorized capital increased to 150,000 shares. A portion of the necessary finances was provided by a loan of $75,000 from Spicer Manufacturing Corp. This loan is repayable in two years.

Consol. Income and Surplus Account

	7 mos. ended July 31 1940 $	Year ended Dec. 31 1939 $
Operating earnings	316,143	308,968
Less: Exec. sals., legal fees	29,058	32,003
Directors' fees	......	900
Depreciation	48,644	78,972
Bond interest	......	2,357
Prem. on bonds red.	......	3,717
Tax provision	144,500	39,000
Net profit	93,941	152,019
Less: Pref. divd.	*26,190	13,095
Surp. for year	67,751	138,924
Add: Prev. surplus	301,109	162,185
Tsf. fr. cap. surp.	218,250	......
Less: Tax adjust.	8,155	......
Red. of pref. shs.	240,075	......
Earn. surp. fwd.	338,880	301,109

*Includes two dividends of 60 cents paid June, 1940, on redemption of preferred in accordance with redemption requirements.

Working Capital

	$	$
Current assets	917,224	678,244
Current liabilities	479,524	220,483
Working capital	437,700	457,761

Georgia Hotel Co.

Earnings of $10,701, after bond interest but before depreciation and provincial income taxes, are reported by Georgia Hotel Co. for year ended May 31, last. This compares with figure of $36,884 in the previous year. The company owns a 12-story hotel of 320 rooms in Vancouver, under lease to Pacific Western Hotels Ltd. on terms permitting the owning company to participate in increased earnings.

Georgia Hotel Co. has a bond issue of 6% mortgage income gold bonds, maturing 1947, of which $1,049,400 was outstanding as of May 31, last. Arrears of interest were paid up in 1935 and the full 6% rate has been maintained since. Dividends on the 7% preferred stock are in arrears from April 15, 1936.

Income and Deficit Account
Years Ended May 31

	1940 $	1939 $
Operating income	91,601	114,371
Less: Expenses	9,838	10,410
Net earnings	81,763	103,961
Less: Bond int. & exch.	71,061	67,077
Depreciation	48,796	54,947
Income taxes	4,482	3,217
Deficit for year	42,577	21,280
Add: Prev. deficit	598,905	577,624
Deficit forward	641,482	598,905

Humberstone Shoe

The Humberstone Shoe Co. reports increase in earnings from 72 cents to $1.12 per share in year ended July 31, 1940, compared with the previous 12 months. This is after providing for higher income taxes, including the new "excess" profits impost. Taxes of $11,363 are more than double the previous year's figure.

Dividends of $1 per share were paid, the same as in the preceding year.

Income and Surplus Account
Years Ended July 31

	1940 $	1939 $
Oper. profit	51,206	31,084
Less: Depreciation	8,627	11,356
Interest	7,849	......
Ins. prems.	1,045	1,074
Net earnings	33,686	18,654
Add: Int. received	......	986
Less: Income tax	11,363	5,159
Net profit	22,323	14,481
Less: Com. divds.	20,000	20,000
Surplus for year	2,323	*5,519
Add: Prev. surplus	202,631	208,150
Surplus forward	204,954	202,631
*Deficit		
Earnings per Share:		
Common	$1.12	$0.72
Paid	1.00	1.00
Working Capital		
Current assets	597,851	543,118
Current liabilities	150,921	103,322
Working capital	446,930	439,796
Balance Sheet Changes		
Cash	150	67,546
Accts. receivable	152,992	141,546
Inventories	431,801	322,084
Bank advances	60,665	......
Accts. payable	67,503	87,338

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
1929-39:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	204.6	281.1	197.6	131.7	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	43.3
1940: Monthly Figures:												
Jan.	134.3	24.5	98.8	155.8	86.4	183.0	135.4	150.7	61.3	84.5	45.7	99.7
Feb.	129.3	23.4	98.4	158.2	90.7	184.3	134.0	146.8	60.3	84.3	45.3	99.0
Mar.	134.1	22.9	96.5	155.4	91.4	185.7	135.4	146.5	61.1	85.1	47.1	99.1
Apr.	132.5	24.6	95.9	147.6	91.6	184.7	137.9	146.4	61.9	83.8	47.1	97.0
May	102.6	16.3	77.6	124.7	80.5	165.0	117.9	115.8	52.0	79.7	39.4	80.4
June	93.2	13.1	62.9	100.2	70.3	144.1	106.9	103.3	47.0	74.7	35.8	71.9
July	92.0	13.9	67.1	101.3	74.5	145.8	114.2	102.3	47.1	70.0	35.5	72.5
Aug.	98.5	15.3	68.4	104.4	76.9	150.1	120.3	107.8	48.6	72.1	37.1	76.0
Weekly Figures:												
Sept. 5	107.8	16.7	71.9	118.7	80.5	156.3	123.6	119.2	50.4	75.5	39.2	82.4
Sept. 12	106.4	16.3	80.6	123.4	83.0	164.9	124.9	120.9	51.4	76.6	39.5	83.6
Sept. 17	105.1	16.2	81.6	120.7	81.9	164.1	124.6	121.0	51.2	76.4	39.1	82.7
Sept. 26	106.5	16.3	83.5	118.9	83.2	165.2	126.5	123.1	52.0	76.0	39.3	83.4
Oct. 3	104.4	16.4	80.9	117.8	81.5	164.3	125.4	124.5	51.7	75.6	39.1	82.8
Oct. 10	105.7	16.5	81.8	117.5	81.4	163.3	124.5	124.7	51.3	75.0	39.1	82.7

*High and low for year from 1929 to 1939 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	10 B.M.	15 W.O.
Oct. 15	101.94	99.31	67.43	21.90
Oct. 14	Holiday			
Oct. 12	Holiday			
Oct. 11	102.66	99.14	67.72	21.92
Oct. 10	102.85	98.69	67.66	21.89
Oct. 9	102.98	99.19	67.99	22.08
Month ago	102.16	94.96	66.35	22.02
Year ago	125.94	110.58	90.89	34.68
High 1940	128.84	123.50	88.97	33.31
Low 1940	86.00	77.34	56.81	18.44

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Cmd.	10 Pprs.	15 Golds
Oct. 15	55.5	67.8	63.7	86.33	74.18
Oct. 14	Holiday				
Oct. 12	55.8	68.6	64.3	86.96	73.04
Oct. 11	55.7	68.5	64.2	88.03	73.15
Oct. 10	55.6	68.9	64.5	89.37	73.13
Oct. 9	55.5	69.1	64.6	88.55	73.64
Month ago	56.6	68.0	64.2	87.84	70.53
Year ago	64.5	90.9	82.1	140.24	97.85
High 1940	69.2	92.2	84.4	152.63	100.81
Low 1940	50.7	56.0	54.7	66.44	55.16

Mont. Power Output Grows

Both Electricity and Gas Figures Reflect War Activity

From Our Own Correspondent

MONTREAL.—Although potential power requirements for new war plants being erected, or to be erected in the Montreal area, are yet to be reflected in monthly production figures of Montreal Light, Heat & Power Cons., the company's output for consumption, exclusive of secondary power sales, again showed a substantial increase in September over the same month last year. This was largely due to heavier wartime purchases by industries already established in the area, and now working on Government contracts.

Output of electricity last September advanced to 107.8 million kw.h., which was 8.7% above the output for the same month of last year.

Cumulative production of electrical energy for the first nine months this year is shown at 970.5 million kw.h., an increase of 4.03% over the like 1939 period.

Produce More Gas

Gas production by the company last month also showed a better gain than in most earlier months this year. This is attributed in part to widened employment and increased purchasing power throughout the Montreal area, particularly in the industrial districts.

At 428.7 million cu. ft., the total gas output of the company for September was up 3.53% over September last year.

Cumulative gas output for the first nine months of the year also showed a gain at 3,743 million cu. ft., or 2.93% over the like period of 1939.

Further increases in power consumption in the Montreal area for war purposes are anticipated, in view of the expansion in industrial productive facilities now under way.

Allied Bakeries Sales Continue Upward Trend

Despite war, a steady trend of increasing business has been maintained by the operating subsidiaries of Allied Bakeries Ltd., large English company, according to W. Garfield Weston, chairman. Continuing increases in material and labor costs, however, have not been offset by a rise in the price of bread.

War regulations restricting the area of deliveries have curtailed normal expansion, the chairman also reports. Large-scale evacuation, however, has not appreciably affected the company as a whole. Sales show an increase.

Provision for taxation amounting to £340,000 represented a much heavier burden than that borne by other companies with comparative earnings, Mr. Weston points out. This is because some of the subsidiaries commenced business within comparatively recent years, as a result of which an unduly large proportion of normal trading profits are deemed to be "excess" earnings.

St. Lawrence Flour Mills Operating at Capacity

From Our Own Correspondent

MONTREAL.—St. Lawrence Flour Mills is now operating at capacity and there is every indication that this will continue for some time, according to D. A. Campbell, president, speaking at the annual meeting of shareholders.

After pointing out that while gross revenues last year were higher, net profits were lower, Mr. Campbell went on to say that taxes were taking an increasingly larger share of earnings. He declared that existing levies for Federal and provincial profits taxes combined will actually amount to 84½% of all profits in excess of the average of the four years up to and including 1939. This is not generally recognized, he explained, but a provincial tax of 5% added to the Federal tax of 79½% makes the total 84½%.

Electrolux Corp. Paying on Common

From Our Own Correspondent

MONTREAL. — Electrolux Corp. advised the Montreal Stock Exchange that a dividend of 25 cents a share has been declared on the common stock, payable Nov. 15 to holders of record Oct. 17.

At a meeting of the board on Aug. 5 last action on the dividend was deferred because of uncertainty regarding U. S. federal tax legislation. The company now announces that directors will meet again Nov. 25 next to consider action on the final dividend for the year.

Montreal Brokers' Loans Show Little Change

From Our Own Correspondent

MONTREAL. — Collateral borrowings of member firms of the Montreal Stock Exchange amounted to $5,485,987 at the end of last September, a slight decrease from the previous month's figure of $5,640,611. At the end of September a year ago, loans totalled $9,982,455.

Investment Notes

Ford of Canada—Reports from Windsor state that the company now has 8,900 workers on its payrolls. This is near the company's all-time peak and compares with a 1939 average of 6,600. Practically the entire Ford organization is now at work on war orders with the prospect that additions to the payroll will be made when production for civilian needs gets well under way. The company's output of army vehicles, including orders now on hand, is said likely to reach double the entire output of the Canadian automobile industry in 1939 for trucks and commercial vehicles.

• • •

Corporate Investors — During the first five months of the current year net revenue per share has increased 30% over the corresponding period a year ago, according to City & Dominion Co. Share value has risen from $5.35 a share at July 1 to $6.25 at Oct. 1.

Can. Converters Pay 50c on Stock

Total This Year of $1 a Share — Operations More Extensive

From Our Own Correspondent

MONTREAL.—Canadian Converters Co. has declared a further dividend of 50 cents a share on the outstanding common stock, payable Nov. 15 to shareholders of record Oct. 31. A similar payment was made on Aug. 5.

Since the beginning of the year operations of the company have been near capacity. Several large orders have been received from the Government which, in addition to domestic business, has enabled the company to report larger sales than a year ago.

Better Earnings Indicated

No particulars are available on the current trend of earnings. However, indications are that revenues are greater than in the fiscal year ended April 30, 1940, when the company reported $3.59 a share earned on the common stock.

The present dividend on the capital is the first since the 1936-37 year when the company distributed $2 a share.

TOWNSHIP OF SCARBOROUGH

Notice of Intention to Redeem Certain Debentures

To the Holders of Debentures of the Township of Scarborough dated the 1st day of January, 1940, and maturing in the years 1941 to 1945 both inclusive.

NOTICE IS HEREBY GIVEN that the Township of Scarborough intends to and will on the 15th day of December, 1940, redeem its debentures dated the 1st day of January, 1940, which mature in the years 1941 to 1945 both inclusive as hereinafter set forth by payment to the holders thereof of One Hundred per centum of the face value of the said debentures to be so redeemed and accrued interest thereon to the 15th day of December, 1940, after which date interest will cease to accrue and such debentures shall become due and be payable on such date. Payment will be made at the principal office of the Canadian Bank of Commerce in the City of Toronto upon surrender of the debentures redeemed together with all unpaid coupons thereon. The said debentures to be redeemed are $140,040.52 in aggregate principal amount and are a portion of a larger principal amount of debentures dated the 1st day of January, 1940, which were issued pursuant to By-law Number 3006, passed the 12th day of February, 1940, as provided for by a plan of refunding, readjustment and reorganization of certain debentures of the said Township dated 1st day of December, 1939, and confirmed by Order of the Ontario Municipal Board dated the 22nd day of December, 1939. The said debentures to be so redeemed are as follows:

DEBENTURE NUMBERS

805-26
842-23
846-23
847-23
891-21
900-21
961-19
963-19
986-30
986-31
990-18
1003-17
1007-17
1025-17
1045-16
1049-16 A
1049-16 B
1049-16 C
1067-16
1068-16
1070-16 A
1070-16 B
1070-16 C
1070-16 D
1070-16 E
1070-16 F
1070-16 G
1070-16 H
1070-16 I
1070-16 J
1070-16 K
1070-16 L
1070-16 M
1070-16 N
1071-16
1091-15
1094-15 A
1094-15 B
1094-15 C
1094-15 D
1094-15 E
1094-15 F
1109-15
1109-15 A
1122-15
1124-15
1124-15 A
1124-15 B
1124-15 C
1124-15 D
1137-15
1161-15
1169-15
1171-14
1175-14
1179-14
1200-14 A
1200-14 B
1220-14
1220-14 A
1220-14 B
1220-14 C
1220-14 D
1220-14 E
1220-14 F
1222-14
1222-14 A
1222-14 B
1222-14 C
1225-14
1225-14 A
1225-14 B
1249-13
1282-13
1282-13 A
1282-13 B
1282-13 C
1282-13 D
1282-13 E
1282-13 F
1282-13 G
1282-13 H
1282-13 I
1282-13 J
1282-13 K
1283-13
1283-13 A
1283-13 B
1283-13 C
1329-12
1332-12
1333-14
1333-15
1334-12
1346-40
1346-41
1346-42
1346-43
1346-44
1392-11
1410-9
1413-11
1414-27
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1415-11
1416-11
1417-32
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1491-10
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1494-31
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1495-10
1496-10
1500-31
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1501-10
1538-80
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1538-92
1538-93
1568-9
1569-9
1570-17
1570-18
1587-26
1587-27
1587-28
1587-29
1652-21
1652-22
1652-23
1653-17
1653-18
1653-19
1656-8
1695-7
1782-22
1782-23

DATED at the Township of Scarborough this 1st day of October, 1940.

B. L. CLUTTERBUCK, Reeve.
J. O. KESSACK, Treasurer.
J. T. STEWART, Clerk.

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INVESTMENT SECURITIES

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Branches in the principal cities of Canada

Bond Markets

Municipal Bonds Helped By Declining Relief

Further Improvement Anticipated — Favor Turns Also to Milling and Packing Bonds, in View of Promise of U. K. Food Deal

The majority of investors continue to mark time, waiting for a general movement in the bond market. But not all.

Some selective buying is being done of issues considered likely to benefit most from improved business. Favor seems to be turning toward milling and packing company issues, in view of the promise of a big Canadian food deal with Great Britain.

Municipal bonds have won new favor, and prices show recent improvement. Primary factor has been the sharp decline in relief costs, particularly in Nova Scotia and the two central industrial provinces. Promise of further improvement makes municipal issues additionally attractive.

Trading continues light on all sections of the market. Prices of high-grade government issues hold strong, an important factor being the Bank of Canada's "peg" on the price of the Second War Loan at 98⅜, compared with the offering price of 98¾. Among the provincial bonds, Manitoba's continue to show the strength of recent months. The 5½% issue of 1955, for instance, at 100½ is up five points from two months ago.

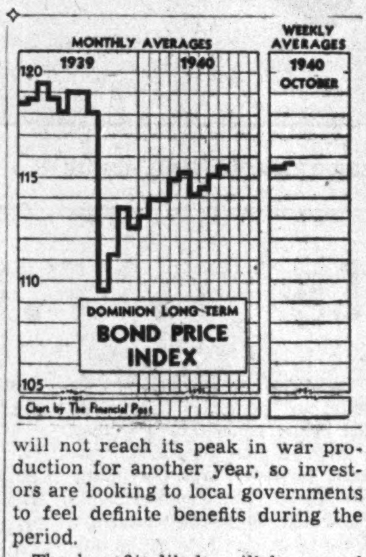
* * *

Sharp Declines

Sharp declines reported this year in relief costs in Nova Scotia, Quebec and Ontario enhance the outlook for all municipal bonds. Probably the biggest improvement has been in Nova Scotia, which is feeling the greatest impetus of any province from war demand.

In central Canada, Ontario reports a 34% cut in the first eight months of the year. Some of the outstanding examples are Brantford, which reports almost every employable person off relief rolls, and Welland, which shows a 75% reduction in costs. Verdun, Quebec, had 3,500 families drawing relief a few months ago—625 now.

As industrial activity further expands and the bigger payrolls are felt more and more by municipalities, investors look to further strengthening of the municipal bond list. The stress probably can be expected to remain on the industrial centres, which are feeling the largest and more direct benefits accruing from war orders. Canada probably will not reach its peak in war production for another year, so investors are looking to local governments to feel definite benefits during the period.



The benefits likely will be passed on also to provincial issues.

* * *

Quebec Loan

Quebec Province will be offering a large loan in the near future. No official announcement has been made as to the size of the loan, description or date of offering, but the province is not expected to delay much longer.

It is probable that the amount will be for at least $22 millions. Of this $12 millions will be allocated to take care of the Oct. 1 maturity, the refunding of which was undertaken with institutional co-operation. There is another $10 millions of 2% debentures due Dec. 1. In addition the province will have substantial cash requirements to operate for the remainder of the fiscal year, which has now been adjusted to end March 31, 1941.

* * *

Financing Complications

Report that the forthcoming issue will be for $22 millions lacks official confirmation. This report has it that the issue will be split into short and long-term bonds. The shorts would be three year 2½% securities and the long, 4% 12-year bonds. The long-term issue would be offered at par or less.

The Quebec flotation is complicated by the imminence of loans by other provinces. Nova Scotia and New Brunswick will also have to undertake financial operations in the near future, and with the second war loan sweeping much of surplus funds away, timing becomes an increasingly important factor.

The position in which the Provinces find themselves should bring into sharp focus the necessity of the most stringent economy on the part of provincial governments.

* * *

Sirois a Solution?

The Dominion has a definite priority on the capital markets for its wartime needs and these requirements alone are going to call forth every effort of private and institutional investor alike. Just where the provinces are going to borrow money on the old scale is a matter for timely consideration.

The heavy maturities and requirements of the provinces in the next few months are going to bring this matter to a head. The difficulty that they face at this time is just another talking point for provincial and Dominion consideration of the Rowell-Sirois report across the conference table.

Competition in the capital markets would be a serious matter and one which neither the Dominion or provinces could permit.

* * *

Strained Markets

If the strained reception to Canada's second war loan did not give governments sufficient reason for pondering on the future of government financing, events of the next few months probably will.

The implications of the war loan results are very clear. With the Dominion making heavy demands upon investors the provinces are going to have to retrench to a point which they do not now appear willing to do. The stickiness of the Dominion loan illustrated clearly that the Dominion priority is not going to permit the provinces to borrow extensively.

* * *

Rights Undermined?

Investors find it difficult to take issue with the suggestion of Whaley-Eaton, Washington, that the Dominion Government, searching for fresh sources of revenue, is forcing a greater concentration of borrowing and taxing power in Canada on the Dominion itself. It is argued, further, this trend "must progressively undermine the constitutional taxation rights of the provinces."

Noting a decline in provincial bond prices from per-war levels, the Washington letter points out this is contrary to what was being predicted a year ago—that financial status of the provinces should improve, by reason of the war offering relief from public works and unemployment relief costs.

A check on bond prices reveals that representative provincial bond prices are a little lower than prior to the outbreak of war. Ontario 3% bonds, maturing in 1950, were quoted at 100 in August, 1939, compared to current price of about 98—after being as low as 89 on Sept. 5, 1939. New Brunswick 3½% bonds, maturing in 1956, are currently quoted at about 87 compared with 97½ in August, 1939. A factor here, of course, has been the fear of possible default on 1940 maturities.

British Columbia 5% bonds, maturing in 1954, currently quoted about 160 are about the same as 14 months ago. Manitoba 5½% bonds of 1955, currently at 100½, are several points above the pre-war quote.

Determination of the Dominion Government to stand by its guns to "pay-as-you-go" for the war suggests the limit has by no means been reached yet in concentrating taxing power at Ottawa. The question raised by investors is: How permanent is this trend? There is some concern that it may be difficult for the provinces to recover some of their lost privileges after the war.

* * *

Bond Index

The D. B. S. index of long-term Dominion of Canada bonds at 115.8 for the week ending Oct. 10 was up 0.3 points from the previous week. It was up 5.3 points higher than in the week of last year and up 0.1 points from the corresponding week of the previous month.

DOMINION OF CANADA
Long-term Bond Index

	Latest week Oct. 4-10	Preceding week Sept. 27-Oct. 3	Weekly average year ago
Price	115.8	115.5	110.5
Yield	71.1	71.3	77.3

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Can. Colonial Airways Decision Deferred

From Our Own Correspondent

MONTREAL.—Decision has been reserved on the application by the U.S. Civil Aeronautics Authority for temporary injunction to restrain Canadian Colonial Airways from operating its airline between New York and Niagara Falls, N.Y.

The airline contends that its operations are intra-state, not inter-state, and that therefore it is outside the jurisdiction of the C. A. A.

War Expenses Spurt Again

Represent 69% of Total Government Costs in September

War expenditures took another spurt in September, according to the monthly financial statement of the Dominion Treasury. Total cost of defense and war for the month of $66.7 millions was higher by $12.5 millions than total revenue for the month. The figure compares with $59.4 millions for August.

War costs are fast nearing the average of $75 millions monthly needed to be spent if Finance Minister Ilsley's estimate of $900 millions for the 12 months is to be attained. Total of $238.9 millions spent in the six months ended Sept. 30, however, is somewhat behind the $450 millions which must be spent in a six months period to match the official estimates.

Estimate Within Reach

At the rate war costs are jumping every month, of course, the $900 millions might be reached by March 31, next. The war only absorbed $10.5 millions in April, first month of the current fiscal year but has pyramided in each of the succeeding months.

Proportion of war to all Dominion expenditures is jumping sharply from month to month. In April, war costs were equal to only 29% of all expenditures, while by September the figure had jumped to 69%. In August the figure was 63%; July, 52%; June, 54%; May, 35%.

Revenues Climb

Revenues are climbing, too, although by no means in the same proportion. Every branch of revenue has shown a comfortable increase, with the exception of the post office and sundry. On the other hand, all expenditures other than war are being sharply curtailed.

Following are comparative statements of the Dominion Treasury for September and the six months period to Sept. 30:

Revenue and Expenditure
September

Receipts:	1940	1939	Change
	—000's of dollars—		
Customs duties	10,331	10,264	+67
Excise duty	6,523	6,671	—148
Excise, sales tax	21,525	12,100	+9,425
Income tax .. .	11,323	4,949	+6,374
Post office	3,368	3,218	+150
Sundry	1,089	2,341	—1,252
Total revenue ..	54,159	39,544	+14,615
Disbursements:			
Ordinary	20,101	28,287	—8,186
Capital	381	799	—418
Defense & war .	66,676	3,864	+62,812
Relief grants, works, etc. ...	5,412	3,548	+1,864
Govt. enterprises	2,000	145	+1,855
Miscellaneous ..	1,637	1,325	+312
Total expend. ..	96,208	37,969	+58,239

Six Months Ended Sept. 30

Receipts:	1940	1939	Change
	—000's of dollars—		
Customs duties .	62,054	43,638	+18,416
Excise duty	42,171	29,670	+12,501
Excise, sales tax	109,888	67,294	+42,594
Income tax	143,172	106,915	+36,257
Post office	16,774	16,324	+450
Sundry	8,859	9,433	—574
Total revenue ..	382,919	273,274	+109,645
Disbursements:			
Ordinary	169,195	185,834	—16,639
Capital	1,921	3,142	—1,221
Defense & war .	238,932	3,864	+235,068
Relief grants, works, etc. ...	12,740	18,033	—5,293
Govt. enterprises	14,939	41,885	—26,946
Miscellaneous ..	3,789	1,810	+1,919
Total expend. ..	441,515	254,563	+186,947

Newsprint Sales To Anzacs Off

From Our Own Correspondent

VANCOUVER. — Australian purchases of British Columbia newsprint are continuing in accordance with the seven-year contract signed in 1937 with Canadian mills, but the volume has been severely contracted owing to the rationing regulations now in effect in the Commonwealth.

Powell River Co. and Pacific Mills, Ltd., are contributing about one quarter of all Canada's shipments to Australia under this contract.

Australia is buying pulp in British Columbia for its Derwent Valley paper project, as it is required as a blend with Australian native woods. Volume of pulp shipments from both Powell River and Ocean Falls is not likely to be curtailed owing to Australia's policy of developing the use of domestic newsprint to as great an extent as possible.

Cumberland Rail Pays Off Bonds

Dominion Coal Unit Redeems Balance of 1910 Issue

From Our Own Correspondent

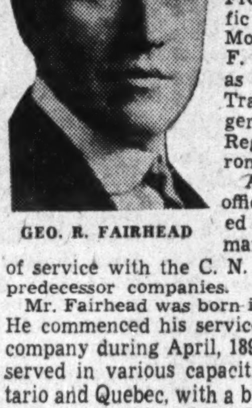
MONTREAL.—Cumberland Railway and Coal Co., wholly-owned by Dominion Coal Co., which in turn is a subsidiary of Dominion Steel and Coal Corp., paid off the balance of its 5% first mortgage bonds when they matured on Oct. 1.

These bonds were issued in the fall of 1910 and the trust deed provided for payment of principal and interest in Canadian or sterling funds. Originally there were $3 millions issued and at the end of 1939 the amount had been reduced to $2,148,000.

It will be recalled that last year Dominion Coal Co. sold additional bonds, the proceeds from which were earmarked for payment of railway equipment and redemption of bonds maturing this year. Consequently no new financing is involved in the redemption of the Cumberland bonds.

Canadian National Promotes Three

George R. Fairhead has been appointed General Freight Traffic Manager of the Canadian National Railways, succeeding the late R. J. Foreman. Other appointments announced are those of John Pullen as Assistant General Freight Traffic Manager, Montreal, and F. P. Nelson as Freight Traffic Manager, Central Region, Toronto.



GEO. R. FAIRHEAD

All of the officers affected have had many years of service with the C. N. R. and its predecessor companies.

Mr. Fairhead was born in Toronto. He commenced his service with the company during April, 1896, and has served in various capacities in Ontario and Quebec, with a brief period in the company's freight office at New York. He has been an active member of Rotary Clubs in Hamilton, Toronto and Montreal for over 20 years, and is a member of the Engineers and Marlborough Golf Clubs in Montreal.

Mr. Pullen is a graduate of McGill University, and served in the last war with the Black Watch Regiment of Montreal. His railway service dates from September, 1913.

Mr. Nelson commenced his railway career with the company in July, 1897.

Rent Receipts Up For Apartment Co.

Royal Windsor Does Better Last Year — Also in 1940

Considerable increase in receipts of Royal Windsor Apartments is reported for the first six months of 1940, as compared with last year, by W. T. Murchie of the London & Western Trusts Co., receiver and manager. The building is owned by Greater Windsor Development Co., and is a four-story apartment in Windsor, Ont.

The increase is attributed by Mr. Murchie to improved rental conditions now prevalent in Windsor. The full 1940 taxes were prepaid in this period to take advantage of a discount, so net revenue is expected to be somewhat higher in the final six months than the $2,950 reports to June 30. This figure is before bond interest, depreciation, receiver's fees and legal fees.

Net revenue of $8,279 in 1939 was more than double the 1938 figure. The improvement was due entirely to lower expenses, as a decline in revenue was shown as compared with 1938.

About $2,500 is being expended on the building this year to replace worn carpets on the concrete floors of apartment suites. About $900 was spent and included in the accounts for the first half of 1940.

The building is still up for sale. No offers have been received for purchase.

Income Account
6 Mos. Ended June 30, 1940

	$
Gross revenue	16,064
Less: Expenditures	13,114
Net revenue*	2,950

Income Account
Years Ended Dec. 31

	1939 $	1938 $
Gross revenue	26,398	27,532
Less: Expenditures ..	18,119	23,867
Net revenue*	8,279	3,665

*Before bond interest, depreciation, receiver's fees and legal fees.

Decline Is Reported In Extent of Strikes

Canadian workers concentrated on jobs of wartime in September, to judge by the monthly report in strikes in Canada of the Dominion Department of Labor. The number of strikes in September was almost 50% less than in either September, 1939, or August of this year, and there were still more extensive declines in the number of strikers and the loss of working time.

	September 1940	September 1939	Aug. 1940
No. of strikes	10	17	18
No. of strikers	2,668	8,190	6,712
*Time loss	6,053	17,546	13,953

*Man-working days.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Riordon Pulp ...	6%	1942	Dec. 31	105
Canada Cement	3½%	1941-4	Nov. 1	101
Drilling Cont. ..	5½%	1943	Jan. 15	100
Eastern Car ..	†6%	1952	Jan. 1	105

†Drawn by lot $44,000.

Bond Tenders

4 p.m., Oct. 22, Sherbrooke, P.Q.—$325,000, 4%, dated Sept. 1, 1940, maturing in series from Sept. 1, 1941 to Sept. 1, 1960. Ant. Deslauriers, clerk.

12 noon, Oct. 17, Toronto—$5,717,000. 2, 2¼, 3¼ and 3½% serial debentures, dated Nov. 1, 1940, maturing 1942-70, for unemployment, waterworks, airports, breakwater, bridges and schools. Ralph C. Day, Mayor.

Grain Delivery Pleases Ottawa

Delay in Advances on Farm-Stored Grain Seen Justified

From Our Own Correspondent

OTTAWA.—The Canadian Wheat Board has now purchased 32% of the marketable surplus of the 1940 wheat crop at a price of roughly $100 millions and local storage space in western Canada is estimated capable of receiving at least 87 million bushels more when and if the producers deliver it to the elevators. To fill present delivery quotas the wheat growers would obtain nearly $60 millions more on the basis of the Wheat Board's existing allowable quotas.

While threshing has been progressing steadily throughout the West, except for delay occurring in Alberta due to wet weather, the growers have still a margin of 36% in unfilled delivery quotas.

The existence of this margin is taken by government officials as positive indication that the decision taken earlier not to make advance on farm-stored wheat was sound.

As long as a margin of unfilled delivery quotas exists no likelihood is seen of any action to pay for wheat or make an advance on it prior to delivery to the elevators. At the same time it is recognized that the existing margin will probably disappear as the farmers turn from threshing to hauling grain to town, but fair prospects are seen for a general increase in the delivery quotas at that time. Recently several substantial increases have been authorized at scattered points in the West.

Latest figures on grain deliveries, up to Oct. 4, show a substantial margin of unfilled quotas:

	Deliveries	Quotas	Percentage filled
Man. ..	24,996,263	32,991,000	75.77
Sask. ..	91,526,318	132,489,000	69.08
Alta. ..	36,318,424	73,669,[illegible]	49.30
	152,904,015	239,149,000	63.94

Expect Grade Very High

Latest estimates indicate that the marketable surplus of the 1940 crop will amount to 465,582,810 bushels. Grading of the crop is reported from the West to be unusually high this year, with up to 80% grading No. 1 or 2. The cost to the Government of purchasing the crop, on the basis of the price guarantee of 70 cents a bushel less freight from Fort William or Vancouver, will exceed $300 millions. The crop position, by provinces, is estimated now as:

	Acres	Yield per acre	Production	Marketable surplus
Man.	3,512,000	20.2	71,000,000	61,180,750
Sask.	15,571,000	16.4	260,000,000	260,000,000
Alta.	8,667,000	23.4	203,000,000	178,675,710
	27,750,000	19.2	534,000,000	465,582,810

As a measure of the amount of money available for release in the West, the present authorized delivery quota is nearly 240 million bushels, worth on the basis of the guaranteed price, more than $160 millions. Distributed by provinces the quotas are:

	8-bush. Quota	Additions	Total
Man. ..	28,096,000	4,895,000	32,991,000
Sask. ..	124,568,000	7,921,000	132,489,000
Alta. ..	69,336,000	4,333,000	73,669,000
	222,000,000	17,149,000	239,149,000

On the basis of these figures the present situation in the West indicates that with a big crop being threshed the farmers are able to market more than half of it, obtaining the Government's fixed price.

Percentages of quotas authorized for delivery and the estimated marketable surplus are:

Manitoba	53.9
Saskatchewan	58.7
Alberta	41.2
All West	51.4

Bond Sales

Dominion Treasury Bills

Yield of 0.653% is reported on an issue of $40 millions Dominion of Canada Treasury Bills dated Oct. 16, maturing Jan. 16, 1941. This compares with 0.648% for the previous issue. Price of 99.83578 for the Oct. 16 issue compares with 99.83875 for the Oct. 1 sale.

Current issue is to redeem $25 millions dated July 16 and $15 millions sold May 1. The latter amount was issued in connection with the Dominion Government taking over the gold reserves of the Bank of Canada on May 1.

* * *

Leamington, Ont.

Harrison & Co. has sold $250,000 of 3½% refunding debentures dated Nov. 1 and maturing from Dec. 31, 1941, to 1956. The issue is for refunding $252,546 of 4½% debentures, of which $127,510 are dated 1941-45. Harrison & Co. has an option on an additional $100,000.

After the $250,000 refunding, total indebtedness of the town is $609,817, compared with $717,214 at the end of 1939.

* * *

Lachine R.C. School

Desjardins, Couture, Inc., has purchased an issue of $34,000 City of Lachine, Que., Roman Catholic School bonds, bearing interest at 4½% and maturing serially in 1-10 years. The issue has been sold privately in one block at par.

City of Montreal Bonds

6% 15th May, 1940
3% 1st June, 1940
4½% 15th June, 1940

NOTICE

is hereby given that semi-annual interest on the above-mentioned bonds which have been registered in the books of the City of Montreal will be regularly paid by cheque at the rate specified on the bonds.

Holders who have not registered their bonds are invited to do so by sending them, with exact information as to the name in which they should be registered and the address to which interest cheques should be sent, to the Registrar, Office of the Director of Finance, City Hall, Montreal, Canada.

It is recommended that these securities be insured against all forwarding risks. The bonds will be returned to holders as soon as they have been registered.

Semi-annual interest on the above-mentioned bonds not registered, will also be paid on presentation of the bonds at the office of the Registrar, City Hall, Montreal.

L. ROBERGE,
Director of Finance.

Office of Director of Finance,
City Hall,
Montreal, 11th October, 1940.

Toronto Offers $5.7 Millions

Bond Issue Principally For Relief, Waterworks and Airport

The City of Toronto has called for tenders on an issue of $5.7 millions of 2-3½% serial installment debentures, to be dated Nov. 1 and to mature in 1941-44, 1960 and 1970. Interest and principal will be payable in Toronto only.

About $2 millions is to be issued to cover unemployment relief balances from 1938, 1939 and 1940. Total of $1.9 million is for waterworks, $499,000 for city airports and balance for breakwater, bridges and schools.

The issue is to be divided as follows:

Amount $	Int. Rate %	Maturity
250,000	2	1941-42
619,000	2	1941-43
1,100,000	2¼	1941-44
1,900,000	3¼	1941-60
1,900,000	3½	1941-70

The prospectus states total gross funded debt of the city is $144.4 millions and the net debt $55.5 millions after deducting revenue producing debts and sinking funds. The city has never renewed nor refunded any of its obligations. Since the beginning of 1919, it has redeemed $199.5 millions and this year further debentures of $10.3 millions mature and provision has been made for payment. Of the total so far redeemed, $34.7 millions has come from actuarial surpluses and unrequired capital balances.

Last public financing done by Toronto was $2.8 millions of 2-3% serial installment debentures dated Dec. 1, 1938, sold on an average cost of 2.36%. Proceeds were principally for relief and airport construction.

Canadian Theatres Had Better Year

War conditions prevailing during the last four months of 1939 apparently had little if any adverse effect upon theatre attendance in Canada. In any case moderate improvement and growth were shown by the motion picture industry for the 12 months of the year, as compared with 1938, according to figures prepared by the Dominion Bureau of Statistics.

Total revenue from admissions last year of $34 millions was the highest since 1931 and more than 1% up from 1938. The number of admissions of 1938 million was up 0.4% from the previous year.

Number of theatres increased by 53 to 1,186 at the end of 1939, while total seating capacity of 658,174 was about 18,000 higher. Of the total of 1,186 theatres, only 766 are independently operated or owned in three or two-unit groups. This is 58 more than at the end of 1938. Number of chains, operating four theatres or more, totals 25.

Average Receipts Off

Average receipts per theatre of $28,676 in 1939 were down over $1,000 from the previous year. Per capita expenditure of $3.03 was up a cent.

Improved attendances resulted in increases in numbers of employees and wages. Employees numbered 7,477 at the end of last year, up over 200 from 12 months previous. Salaries and wages of almost $6 millions were up nearly $300,000. The average salary per employee also was up about $14 at $796.

Vaudeville and stage shows have increased considerably in popularity. Number of theatres featuring this class of entertainment is about a third higher—the 207 at the end of last year being up 77 from 1938.

Little change is noted in the trend toward double-features. Of the 676,773 programmes shown in Canada last year, 63% were double-feature, compared with 62% in 1936. Ontario and B. C show the largest number of double-programmes — 65% of the total. Saskatchewan showed the least demand for the extra attraction, only 26% of the province's programmes including double features.

Foreign Exchange

During the week Oct. 8 to Oct. 14 there was no change in the quotation to the United States dollar at Toronto and Montreal, which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Oct. 14

Australia ...	3.58	N. Zealand .	3.61
India	.3369	S. Africa ...	4.47
Japan ...	.2605	Hong Kong .	.2584

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The most beautiful Cadillac V-8 ever built

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CAD-241

The Editorial Page . .

Implementing the Sirois Report

It becomes daily more apparent that this nation cannot much longer postpone implementation of the Rowell-Sirois report on Dominion-Provincial Relations.

Last week at a press conference, Prime Minister King made brief reference to the report. He denied that it had been shelved, but made it apparent that the Government had no present intention of dealing decisively and positively with this momentous document.

Yet more and more Canadians are coming to the view expressed by Harold Crabtree, president of the Canadian Manufacturers Association a few days ago, namely that increasing pressure of war problems accelerates the need for a new Dominion-provincial deal.

Mr. Crabtree made public a statement following an executive committee of the Association in Montreal. The committee had further deliberated on the discussion which took place at the C.M.A. annual meeting in Winnipeg last June. Mr. Crabtree urged the Government to take immediate steps to determine to what extent the recommendations could "be given effect with a minimum of delay."

One further significant fact is the wide and diversified support given this report by nearly a score of official bodies representing widely varied opinions and interests. These include:

Canadian Society of Technical Agriculturists.
Canadian Life Insurance Officers Association.
Canadian Manufacturers' Association.
Canadian Chamber of Commerce.
Canadian Construction Association.
Dominion Mortgage and Investments Association.
National Conference on Social Work.
Canadian Federation of Mayors and Municipalities.
Professional Institute of the Civil Service.
Amalgamated Civil Servants of Canada.
Citizens' Research Institute of Canada.
Dominion Association of Chartered Accountants.
Junior Chamber of Commerce of Canada.
Canadian Historical Association.
Trades & Labor Congress of Canada.
Union of Municipalities of Quebec.

What really matters now is of course the effect of such recommendations on the war effort.

Can we more economically, efficiently and quickly win the war if the report is implemented?

Will it aid our unity, our solvency, our productive machinery?

Taking the longer view we must also be sure that a plan which ranks second only to Confederation itself in importance and implication, will help rather than hinder in the post-war economy.

On all counts, the arguments in favor of the Rowell-Sirois report seem overwhelmingly strong. To further delay consideration of the report, especially as it affects the immediate war effort, is not justifiable.

Strengthening the Labor Front

A new deputy minister of labor has been named at Ottawa. As well, official government spokesmen now insist that essential war workers will and must be released from the "draft."

That much has happened, constructively, on the labor front in recent days. It suggests that at long last official Ottawa has awakened to the seriousness of the wartime labor supply problem.

But there is more still to be done.

For one thing Dr. Bryce Stewart, new labor deputy, will need some first-class executive brains in his department. He himself is a student, not an administrator.

Few departments at Ottawa are so woefully lacking in senior personnel, as is the department of Labor. There are capable younger men but little has been done of late years to maintain efficiency in its various services. The department's prestige is low. Over the past decade many of its most important problems have been either muffed or attacked in half-hearted lack-lustre manner.

The labor department still handles a $24.5 millions budget (largely unemployment relief); it has been given responsibility for unemployment insurance; it is nominally responsible for labor conditions affecting hundreds of thousands of workers in the vital war industries.

Dr. Stewart is an acknowledged expert on labor problems—a man whose background and training parallels closely that of W. L. Mackenzie King when he assumed the same portfolio forty years ago. But there is little in his record to suggest he is an experienced administrator. The strengthening of his department, especially on the administrative side, is an essential step in the present emergency.

There is need also for a wartime labor co-ordinator—a man with power and competence to smooth out supply bottlenecks and ensure that every needed ounce of manpower is available and trained to meet the staggering demands of our munitions programme.

In Australia this authority has been given to the Ministry of Munitions and Supply. In Canada the corresponding department, though responsible for a production programme rated at $1.5 billion annually, cannot raise a finger to ensure a steady flow of skilled workers into industrial plants. Had there been early and effective co-ordination of wartime industrial labor the withdrawal of key-men for 30-day training would never have occurred.

It has taken 13 months to arouse Ottawa. There can be no possible excuse for further delay in co-ordinating and strengthening the labor front.

Our Platform For Canada

1. *Strengthening cabinet leadership by drawing on Canada's best executive brainpower irrespective of political considerations.*
2. *An inner war cabinet, free for departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
3. *Appointment of non-political industrial co-ordinator with complete authority to direct procurement of munitions and supply.*
4. *Pay-as-we-go policy, in so far as consistent with "total" war. Elimination of public and private waste.*
5. *A national programme for post-war employment and relief problems, along lines of Sirois report.*

Winning the war has become the focal point for national and personal effort in Canada. This requires full mobilization of the nation's material and spiritual resources.

To the fullest degree this should be obtained by individual effort, freely made.

Strong national leadership will inspire service and sacrifice that will reduce the need for regimentation and compulsion.

The New 1941 Cars

The automotive industry is proud to display new 1941 models for sale in Canada as well as to play a decisive part in the war effort.

The industry is now turning out mechanical transport for war use at the rate of more than 600 units daily. These units are being sent all round the Empire. They establish Canada as by far the most important source of war transport equipment. Only a few weeks ago a further huge order for four-wheel drive transport was accepted. It is now being filled. If at any time more plant capacity or personnel are needed for further war work, the Government has been assured it need only say the word.

Along with this huge wartime programme, the industry has provided an adequate supply of new cars to meet 1941 needs. This is a tribute to the high efficiency of the industry. It is a policy which parallels that of the British automotive industry. In Britain cars are still being made for export sale.

While war lasts, it is unlikely that any new "annual" models will be undertaken. This policy will certainly be in effect in Canada, probably in the United States. It is a policy with which the automobile manufacturers are in entire agreement.

Meanwhile, Canada's 3,300 motor car dealers (who employ upwards of 22,000 persons) are happy to have for sale the new cars which have been coming off the assembly lines in recent months. They do not object to the higher prices which must be charged. For they know that on their average sale, at least $100 goes directly back to Ottawa in war taxes to help pay the cost of stamping out Hitlerism.

Weekly War Talk

Canadians cannot give their best to the war effort unless more is done to arouse and inspire individuals, communities, the nation as a whole.

One way to begin would be to have a weekly report on the war from Ottawa.

This must not be a dull, factual report. If it becomes that it will fail utterly in its purpose.

It must be a report to arouse the passions and pride of the Canadian people. Something which will tell in clear and challenging speech of the aspirations and achievements of our race. Something so dynamic and inspiring that it will be listened to not only in every home across Canada but also in every British household and in millions of homes throughout the United States.

No man is better equipped to tell this story on behalf of the Prime Minister than Leonard W. Brockington, K.C.

The Government and the Canadian Broadcasting Corporation should begin such talks without delay as a needed contribution to wartime leadership of inspiration.

Employees Remembered

When Frank P. Jones died in 1939, Canada lost an able administrator. He made an outstanding success of many jobs, because it was his firm conviction that an industrial concern had three obligations: to its employees; to its customers; to its shareholders, and that these three obligations are in no way incompatible.

Mr. Jones died a wealthy man. In death, as in life, he did not forget those who had helped him in amassing his fortune. Recently 440 employees of the Consumers Glass Co., of which he was the principal shareholder and president at the time of his death, received substantial bequests—roughly the equivalent of six months full-time pay. The office boy, the worker in the plant, the girl or the man in the office, one and all they share alike. There were no strings attached to the bequest: it was an outright gift.

These bequests by Mr. Jones do not surprise his friends nor those who had the privilege of knowing him. He was a man who not only had strong convictions but carried them out in a practical way.

Editorials in Brief

Owen Sound Sun-Times has made a notable contribution to Canadiana by a special number to commemorate the founding of the city exactly 100 years ago this month.

It was on Oct. 7, 1840, that John Telfer arrived on the present townsite in the capacity of government agent for Lord Sydenham, Governor-General.

He laid the foundations for this thriving community, which now boasts a population of over 13,000.

* * *

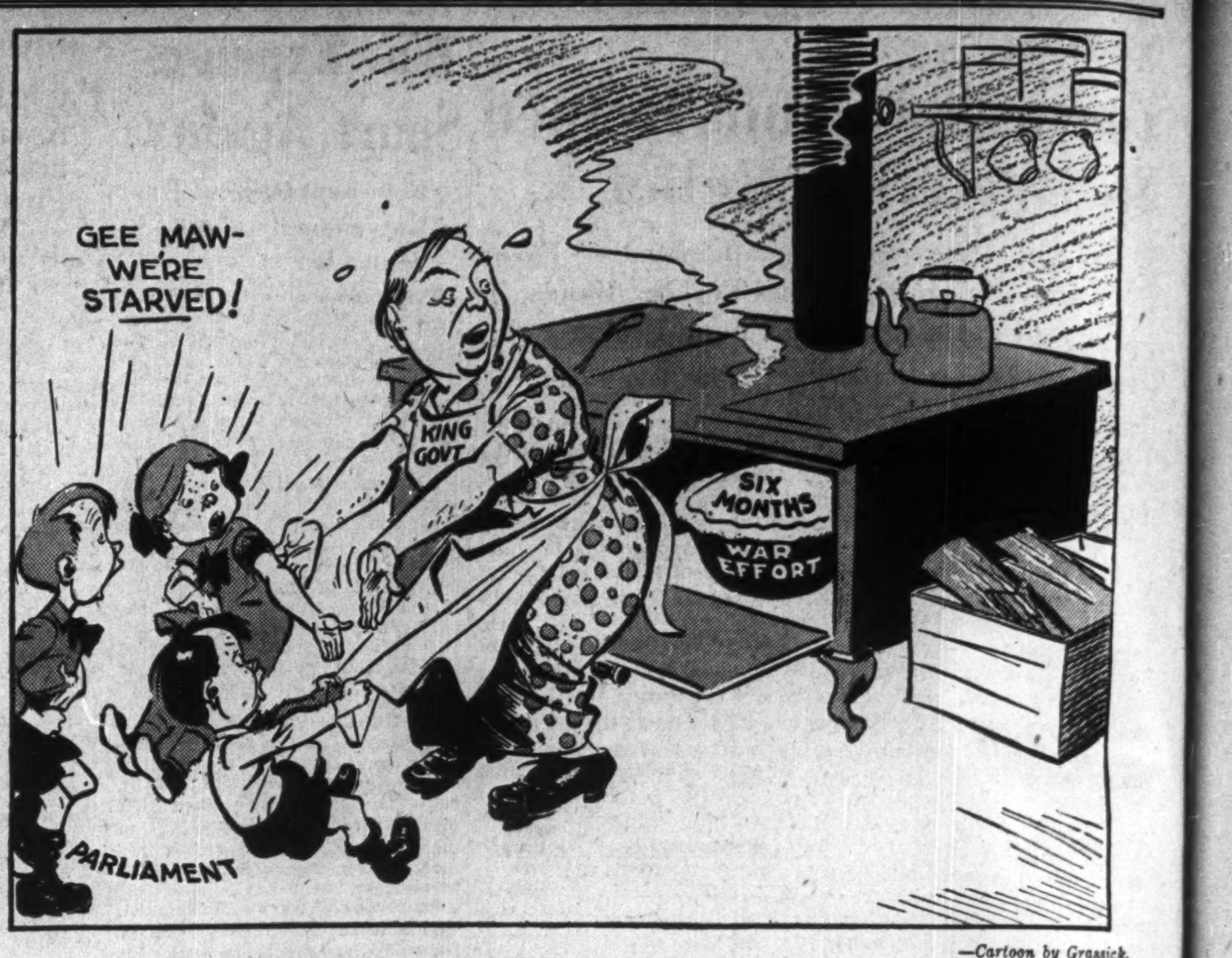
The recent statement by Premier Hepburn "pegging" Ontario income tax at current levels for 1941 did not quite clear the air. This was not Mr. Hepburn's fault.

The Ottawa Citizen, for example, is one of the many who make the common error of thinking that Ontario rates are "half that of the Dominion."

The fact is that Ontario's income tax rates are clearly set forth in a schedule in the Provincial Act. They do not fluctuate up and down with Federal rates. The schedule starts at 1½% and increases to 28%.

This Ontario schedule used, of course, to be one half the Federal rate, which is the reason for present confusion. But now that Ottawa has moved into new high ground, Ontario will stick to its old rates.

The result is that Ontario will take less from every taxpayer, since it allows Dominion income tax as an exemption from income.



—Cartoon by Grassick.

DON'T KEEP THEM WAITING, COOK!

Post-Scripts . . . .

Resource Director

Member of one of the families whose names are synonymous with that of Brantford, Major Reginald J. Waterous, K.C., was recently chosen by Hon. James G. Gardiner, Minister of National War Services, to be his Director of Material Resources. Major Waterous is now in England with Mr. Gardiner. A native of the Telephone City, son of the late Julius Waterous, he was educated in Brantford and Toronto. At 47 he has behind him a useful career as barrister, soldier and municipal representative.

R. J. WATEROUS

In the first Great War he served with the C. E. F., enlisting here as an artillery lieutenant. After the war he retained his interest in the Militia and a few years ago was called upon to reorganize the 54th Battery, Royal Canadian Artillery. This task he accomplished with distinction, his battery winning first rank proficiency honors in Dominion-wide competition at Petawawa Camp to capture the Governor-General's prize and other awards.

For many years a Brantford alderman, Major Waterous, in 1937, unexpectedly contested the mayoralty. He was successful and has retained that office for three consecutive terms.

When he first became Chief Magistrate in 1938 there were more than 4,200 persons on relief in the city. Today that number has been reduced to less than 1,000. The Mayor's most noteworthy accomplishment, however, was the inauguration of a pay-as-you-go policy in the city council, which, while necessitating a slight increase in the tax rate at the outset, has since paid taxpayers "dividends" by way of a gradual reduction in the levy.

The wisdom of this course was indicated by the fact that the year preceding his inauguration the city had a deficit of about $183,000. Last year the municipal treasury showed a surplus of $12,000.

The Mayor's final word to the council before taking leave for his new post was: "There will be a substantial surplus at the end of this year."

On Dec. 31, 1937, Brantford owed the bank $275,000. Today it owes not a cent. The debenture debt has been cut from $5,229,430 as at January 1, 1938, to an anticipated $4,102,559 at the end of the current year, a reduction of $1,126,876.

* * *

A strong believer in the personal approach, Major Waterous likes to get to the heart of problems by direct contacts or private conference.

On one occasion recently when not satisfied with progress on the plumbing contract at a big war training project adjoining the city, he called plumbers together and made an appeal for patriotism to come before trades union prerogatives. The plumbers accepted the challenge with enthusiasm and a "bottleneck" disappeared.

A similar approach proved effective with local manufacturers when he was determined to abolish a prevailing system of fixed assessments and assessment rebates in regard to local industrial properties.

In getting people to co-operate with him he relies on frank statement of purpose and facts, rather than brilliant argument and finds that this method usually works.

* * *

Major Waterous is a member of one of the city-building families of Brantford. The first Waterous to come here was C. H. Waterous I, who in 1848 joined C. P. Van Brocklin in an engine works enterprise. The Van Brocklin venture had been inaugurated in 1884. In 1858 Waterous became the sole proprietor. He hailed from Vermont originally and had a varied and eventful career. For years he served as an engineer on Great Lakes vessels and on one occasion was shipwrecked when the boat on which he was engineer went down in a terrific gale on Lake Michigan. An expert in machinery, this first C. H. Waterous also had a hand in the invention of one of the first known electric motors.

Upon his death the company he founded was taken over by his son, C. H. Waterous II. He served in many capacities, among them as mayor, and as chairman of the board of governors of the Brantford General Hospital.

Another of the sons of C. H. Waterous I was Julius Waterous, who was proprietor of a wire nail works. Major R. J. Waterous is one of the two surviving sons of Julius. One of his uncles, C. A. Waterous, former president of Waterous Ltd., has been prominent for well over 20 years in civic administrative affairs, first as a member of the board of water commissioners, and subsequently of the Public Utilities Commission which incorporated the water, hydro and street railway commissions.

Stop Me If . . .

Tourist: "What a quaint little village! Truly one half the world is ignorant of how the other half lives."

Native: "Not in this village, mister; not in this village."

* * *

Metropolitan in Canada

Edwin C. McDonald, third vice-president and newly appointed Canadian manager of the Metropolitan Life Insurance Co., will in his new job have one of the most responsible positions in the company. The Canadian department of the Metropolitan Life is the equivalent of an insurance company with over 2,500,000 policies in force for $1,000 millions insurance. More than $250 millions are invested in Canada.

Although a relatively young man he has had wide experience in the insurance business.

Mr. McDonald served in the last war with the United States Marine Corps. After the war he became actuary and later treasurer of the Life Insurance Service Bureau of Chicago, an organization rendering a conservation and actuarial service to 25 life companies in the middle western states. But the selling end of life insurance attracted him and he accepted an agency for the National Life Insurance Co. of Chicago, later becoming supervisor of agencies.

With the growth of group insurance he was asked to join the former Inter-Southern Life Insurance Co. of Louisville, Kentucky, to organize a group department. He later became an officer of the company.

* * *

In 1925 he joined the Metropolitan as group representative specializing in group pensions which were then being added to group insurance lines. Stationed in Chicago he became successively an annuities adviser and associate sales manager of the group division. In 1930 he became assistant secretary of the company and was transferred to the home office. Later he was placed in charge of all group insurance sales.

Mr. McDonald is of Scottish and English ancestry. He was educated at Culver Military Academy, Indiana, and the Ohio State University.

He is married and has two children, a son and a daughter.

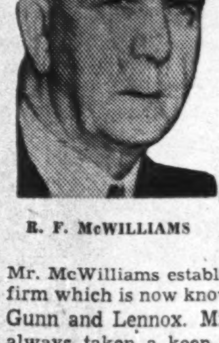
He is a member of the Board of Trustees of Culver Military Academy, a member of the national college fraternity Beta Theta Pi and of the American Legion. He is fond of aviation and an experienced pilot. As a passenger he has flown 200,000 miles in his business travels. He holds memberships in the Aviation Country Club of Hicksville, Long Island, and the Private Fliers Association.

* * *

Lieutenant-Governor

R. F. McWilliams, K.C., will become Lieutenant-Governor of Manitoba on November 1, succeeding the Hon. W. J. Tupper, K.C.

Mr. McWilliams was born in Peterborough where he received his early education. He received his Bachelor of Arts degree with honors from University College, Toronto, in 1896. He studied law at Osgoode Hall, came to Winnipeg in 1910 and joined the law firm of the late Sir James Aikins. Later he became associated with Colonel Robert M. Thomson, who was killed in the first great war. In 1917, Mr. McWilliams established his own law firm which is now known as McWilliams, Gunn and Lennox. Mr. McWilliams has always taken a keen interest in public affairs. He served as president of the national council of the Y.M.C.A.'s in Canada from 1922 to 1929 and he was the representative for Canada on the world committees of the Y.M.C.A.



R. F. McWILLIAMS

From 1914 to 1920 he was lecturer in constitutional history and law at the Manitoba law school. Mr. McWilliams is a college classmate of Hon. Wm. L. Mackenzie King and has maintained a lifelong friendship with Canada's premier.

He is a student of international affairs and author of books and many articles on political and economic movements. He has travelled widely in North America and Europe and his interpretations of the events which preceded the rise of Nazi Germany have been recorded in two books, the most recent being "Does History Repeat Itself?"

Mrs. McWilliams is no less interested in public life than her husband and for some years now has served the city of Winnipeg as an alderman.

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Other People's Views . . . . . .

The Canadian Editorial of the Week

Parliament Should Meet

Simcoe Reformer

Premier King's announcement of the postponement of the opening of Parliament until January due to the departure of Ministers of the Crown for England is not calculated to enhance public confidence in Canada's war effort.

Many Canadians hold the view that Parliament should be in session for a longer period than two months during a critical year such as 1940. It may be true that Cabinet Ministers are exceedingly busy, but if party government is to function successfully, the Opposition and the people at large are entitled to the opportunity to secure the fullest information on Canada's war programme.

In contrast the British House of Commons has been in session almost constantly during the past year, thus enabling members to question the Government constantly on its war measures and giving the British people a true picture of the war situation. Only by providing a sounding-board of this kind has the Government been able to retain public confidence. Moreover, public sentiment on various phases of the war has found an echo in changes of policy on the Government's part. Thus does democracy function. The King Government could profit by following the Mother Country's example.

Ottawa may not know it, but deep-seated dissatisfaction does exist that Canada's war administration should continue to be a party one and that the leadership is confined to party partisans.

* * *

The Mail-box

A Post subscriber from Winnipeg who signs "Interested Reader," thinks we should advocate a solution to Canadians' fiscal problems which "hundreds of thousands of Canadians know is feasible and urgent."

The solution:

"Demand that all our provincial governments be abolished and save a hundred million at one stroke.

"Why do we persist in supporting ten governments when one central one would be ample?"

We suggest to this reader, perusal, first, of the Rowell-Sirois report.

The Sirois report by far the most thorough and competent study of this whole subject ever attempted in this or any other country. And having cost "interested reader" and other taxpayers half a million dollars it is a document that deserves much wider study and support.

Its recommendations suggest convincingly there are many other important and money-saving steps that ought to be taken short of abolition of provincial governments.

* * *

Canada-U. S. Relations

Editor, The Financial Post:

Something which has stirred the press lately is the singularly cavalier defense agreement consummated by Hon. Mackenzie King and President Roosevelt. Through it the British Commonwealth becomes practically impotent in the western hemisphere. Not only does the Mother Country lose influence over her west Atlantic colonies, but her oldest dominion becomes the 49th state in the American union.

I am pointing this melancholy fact out at the start so that I may qualify it. First, although the urgency of democratic solidarity in this era of armed brutality cannot be overstressed, has Hon. Mackenzie King given Canadians any assurance that their country will maintain her full identity in face of American economic and military power? Has he not heard certain American bigwigs crow about how they have taken Canada over?

The New York Herald Tribune for August 28 states: "Harbors and forts and airfields are only a beginning. The whole of Canada is itself a base . . . and the maintenance of Canada against potential attack goes beyond leases on this or that spot. Military collaboration, economic and financial collaboration, the adjustment of production schedules—none of these is excluded, or can be, if the job is to be done properly."

The wide-awake New Yorker jumps on these phrases with the caustic commentary: "Pause to consider what 'collaboration' means in the existing relations of forces, and you will appreciate how openly and obviously American imperialism is planning aggression in different parts of the hemisphere, Canada included." Incidentally, the New Yorker headed an article concerning this question as simply, "Taking Canada Over."

I think due caution must be observed before Canadians praise too wholeheartedly the arbitrary actions of Mackenzie King. He has made one trip too many to Washington. Public opinion may force him to make another in order to get Canada back again. Not that Canada should forever adhere to a semi-colonial relationship with Britain, but that she should not be impeded in her progress toward full autonomy within the British Commonwealth.

DONALD A. C. McGILL
Pres., South Vancouver
Young Conservative Assn.,
Vancouver, B.C.

* * *

As Others See Us

Swift Current Sun joins with The Financial Post in urging more direction and inspiration in the war effort. Says (in part) a recent editorial "Canada Needs Arousing:"

"In relation to the present war Canadians as a whole take no back seat in the matter of patriotism and determination to fight through to the end, but there is admittedly yet an abstract realization of the implications of the struggle. . . . This paper has several times commented along the same lines as a recent editorial in The Financial Post, which holds that so far this war has been an impersonal tragedy for most Canadians, showing an urgent need for a widespread national consecration to the cause for which we are fighting and for the most impassioned leadership this country can muster, in short, 'The Churchill touch.' Admittedly there is no part of Canada nor any group of citizens unwilling to sacrifice and strive to the utmost to ensure victory, but such willingness needs direction and inspiration.

"Reading between the lines we detect that The Post sees in Prime Minister King little of the stirring appeal such as comes from a man like Winston Churchill. But Churchills don't grow on every tree.

"Our own opinion is that the Canadian war effort, after a jerky start, is now in high gear and that the Government is handling the tremendous task very well. But it is, in our belief, the war imagination of the Canadian people that has not been sufficiently stirred, and it may be that our propaganda (don't mistake the word) machine has not yet reached its proper crescendo of effort.

"If nothing else now, the recent treaty which brings Japan into the Axis picture definitely should warn Canadians that more and more sacrifices will be necessary, and that detachment and impersonality can conceivably be as fatal to us as to other nations."

* * *

Supporting the current movement to salvage waste—a movement which has grown by leaps and bounds since editorial mention was made in these columns last summer — The Montreal Gazette has this to say:

"Half a dollar's worth of thrift daily by each person in Canada would mean a savings to the nation of $6 millions a month, The Financial Post pointed out in a recent editorial. 'Thrift' in this instance does not mean the traditional "saving for a rainy day," though this too is a praiseworthy thing just now. It means rather a consistent and intelligent effort to salvage waste material—everything from scrap paper to scrap metal—and put into national usefulness instead of into the dustbin.

"There seems occasion for a campaign of leadership here, by one or all of the numerous organizations operating on the outskirts—so to speak—of the nation's war effort."

* * *

What the Papers Are Saying

Newspapers throughout Canada have widely approved the action taken by Ottawa recently to curb the sale of copper and war metals to Japan.

Discussing this problem, Winnipeg Free Press brings up the important point that Canadians have been kept in ignorance of the facts because of Ottawa's refusal to publish trade figures. It suggests that the refusal of the Government to publish itemized trade figures each month has never been quite justified on military grounds. The Free Press comments:

"No one knows what Canada is today exporting to Japan. For reasons not quite clear the suppression of our trade figures on the ground that it might provide information of value to our enemies has been carried too far. But it is common knowledge that the Granby and Britannia copper mines in British Columbia are today shipping heavily to Japan; and for all anybody knows some of our nickel, our lead, our zinc is going the same route. It is not good business if that is the case.

"Defense is not merely a matter of arms, ships, bases, planes and batteries. It is also a problem of policy; and by imposing joint export embargoes upon a nation that has openly declared her intention to destroy the interests of all foreign powers in the Far East and to create for herself a monopoly of power and trade there, Canada and the United States would embark upon a long-sighted and prudent policy which in the years to come will bring us rich dividends in increased security."

* * *

Wartime labor needs are arousing editorial comment even in western Canada. The Calgary Herald comments:

"The shortage of skilled labor is a matter demanding the urgent attention of the Canadian Government. As the Saskatoon Star-Phoenix points out, if the development of a force of skilled workers is not dealt with intelligently and immediately, the situation will arise when Canada will have a large body of unemployed and a large body of individuals engaged in a type of production that will not contribute to the war effort, with both a drag on the country's finances, while manufacturers fight over possession of a limited body of skilled labor.

"The wages that skilled labor may extract from this situation will, in large part, be taken to support those who have been given no opportunity to acquire skills."

* * *

Sayings of the Week . . .

"Workmen are soldiers, with different weapons, but the same courage." —*Winston Churchill.*

* * *

"The American republic is the keeper of the conscience of the world."—*Leonard W. Brockington, K.C.*

Week in Business

Canadian Industry Broadens Scope

Manufacture of Airplane Engines in Canada Under Consideration — Labor Bottlenecks Bring Change in Military Training Programme

Canadian industry continues to broaden its scope under the spur of wartime needs. Recent reports from Ottawa indicate official consideration is being given to the manufacture of airplane engines in this country. Such a move would make Canada independent of both Great Britain and the United States in this matter and would greatly facilitate the Empire air-training scheme. It would also give a powerful impetus to the commercial airplane industry after the war.

Present Government plans also definitely include production of 3,000 tanks in Canada.

Cost of these is estimated at about $150 millions and production is expected to start early in 1941. This is in addition to an earlier tank programme announced some months ago.

Canada's shipbuilding industry is also expected to be called on for greater efforts shortly. Larger sized vessels than the corvettes now under construction are being suggested as a possible product of Canadian shipyards.

* * *

Difficulty is being found in practically all industries however in getting fully qualified mechanics and metal workers. A certain amount of labor poaching is reported, by which some industries are taking men away from others by offering special financial or other inducements. Increases in pay, apart from those based on increased cost of living or to remedy a situation where prevailing rates had been too low, is looked on with anxiety as a step toward inflation. In view of the scarcity of qualified workmen the Government has modified its plan for compulsory military training so that key men will not be taken out of their jobs to spend 30 days in camp. In fact it is hinted that skilled workmen now in the army may be returned to their civilian occupation.

Movement of the Western wheat crop has been helped some by increased quotas at certain shipping points. Millers have been buying some wheat recently for domestic milling and this is also helping the storage situation.

* * *

The improved outlook is reflected in the reports from prairie distributing centres that business is good. The public is stated to be buying freely although colder weather is wanted to make people buy overcoats and other fall and winter lines. Wholesalers are stated to be buying a little more cautiously than a year ago. But this is explained by the abnormal, partly speculative purchases made a year ago when merchants were anxious to protect themselves against higher prices and the public generally was buying goods which they had gone without for several years past.

Eastern trade reports generally are satisfactory.

Business Indicators

Current business active, with D. B. S. index of business activity holding at previous week's level and slightly above last year.

Carloadings for week ended Oct. 5 seven per cent under year ago. Total for 1940 to date up 11%.

Railway gross traffic earnings for first week of October slightly higher for C. N. R. slightly lower for C. P. R. Totals for year up 24% for C. N. R. and 14% for C. P. R.

Livestock sales in September, 17% higher for cattle and 64% up for hogs.

Newsprint production in September, 11% higher than year ago.

Raw rubber imports more than double last year.

Trend of business shown by The Financial Post Business Index and following key factors, new items for the week being marked thus ▪.

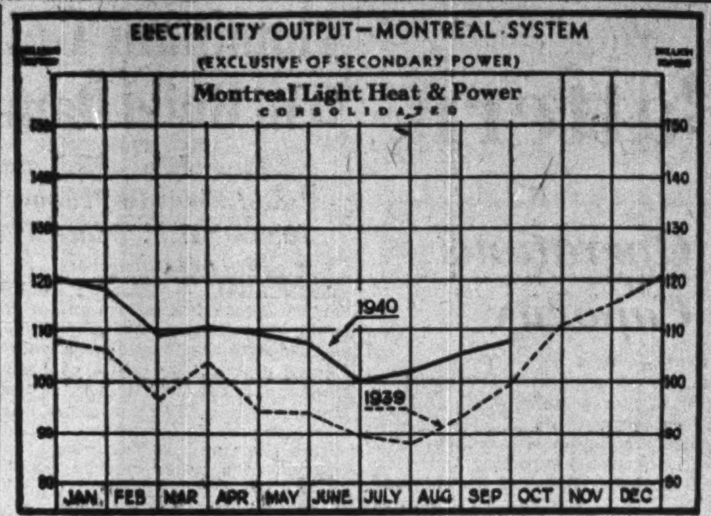
TREND OF BUSINESS—	Oct. 5	Sept. 28	Sept. 21	Sept. 14	Oct. 7/39
Weekly index of business, D.B.S.	105.3	105.3	104.5	104.5	103.5
Commodity prices index no.	82.9	82.8	83.0	83.0	78.0
	Aug.	July	June	May	Year Ago
The Financial Post business index	°142.9	139.5	141.7	136.2	121.0
Retail sales index no.	94.1	89.4	91.9	89.3	80.6
Dept. store sales index no.	89.8	87.6	81.4	82.7	73.1
Wholesale sales index no.	115.3	105.1	117.6	127.1	107.4
Country store (% change pr. yr.)	+9.8	+6.2	+8.3	+8.5	—2.2
EMPLOYMENT Index Nos., D.B.S.	Sept. 1	Aug. 1	July 1	June 1	Year Ago
All industries	131.6	127.9	124.7	120.9	119.6
Manufacturing	138.4	134.4	130.3	129.2	115.3
Wage earners, no. 000's	....	....	2,634	2,568	2,419
Living costs weekly budget	....	$17.90	$17.84	$17.72	$17.02
			Jan. 1 to date		%
RAILWAYS—	1940	1939	1940	1939	Change
▪Carloadings (week Oct. 5)	63,578	68,594	2,108,848	1,899,572	+11.0
▪C.N.R. gross (week Oct. 7) $	5,001,138	4,867,548	183,417,129	147,113,485	+24.6
▪C.P.R. gross (week Oct. 7) $	3,694,000	4,367,000	125,542,000	109,810,000	+14.4
C.N.R. net revenue (Aug.) $	3,668,181	638,203	24,040,849	347,712	....
C.P.R. net revenue (Aug.) $	2,263,597	905,950	17,304,434	6,883,453	+151.4
IRON AND STEEL—Aug.—					
Pig iron production . (tons)	88,885	65,920	734,436	422.028	+74.0
Steel ingots and castings prod. .... (tons)	172,210	122,019	1,300,033	813,309	+58.6
AUTOMOBILES—(Number)—					
Passenger Cars:					
Domestic sales° .. (Aug.)	2,761	3,672	76,950	64,007	+20.2
Factory output .. (Aug.)	1,510	1,068	77,193	76,148	+1.3
Trucks and Buses:					
Domestic sales° .. (Aug.)	2,271	2,494	21.731	18,025	+20.6
Factory output .. (Aug.)	12,483	2,407	62.180	30,217	+105.5
Financing:					
Used .... (Aug.) $	3,711,742	3,354,598	29,625,981	25,287,791	+17.2
New .... (Aug.) $	1,986,731	2,267,915	24,084,917	20,291,570	+18.7
CONSTRUCTION—					
Contracts awarded (Sept.) $	52,260,000	19,379,100	247,749,000	150,781,[illegible]	+64.5
▪Cement prod., bbls. (July)	983,000	736,000	3,710,804	2,730,691	+35.9
AGRICULTURE—					
Flour prod., bbls .. (Aug.)	1,291,451	1,382,158	10,081,998	9,310,011	+8.[illegible]
Flour exp., bbls. .. (Aug.)	575,756	379,276	4,641,626	3,005,951	+5[illegible]
Wheat exp., bush. .. (Aug.)	11,401,161	10,272,929	90,970,959	75,366,950	+20.[illegible]
▪Cattle sales▴ ...... (Sept.)	115,444	98,371	788,455	741,429	+6.3
▪Hog sales▴ .... (Sept.)	413,207	251,261	3,436,840	2,336,167	+47.0
SEA FISHERIES—‡					
Catch, cwts. .... (Aug.)	1,328,000	1,426,700	7,366,350	6,603,450	+11.5
Landed value ...... (Aug.) $	2,957,200	3,041,100	12,466,500	11,951,750	+4.3
NEWSPRINT—					
▪Production, tons ... (Sept.)	282,322	253,230	2,573,605	2,058,899	+25.0
Exports, tons ..... (July)	318,841	200,173	1,823,983	1,415,290	+28.8
MINING AND OILS—					
Coal prod., tons .. (July)	1,227,967	1,093,542	9,455,368	7,909,811	+19.5
Coal imports, tons . (July)	2,398,461	1,590,973	9,125,592	5,456,919	+67.2
Gold prod., fine oz. (July)	456,626	439,925	3,028,668	2,929,894	+3.3
Crude oil prod., bbl. (July)	877,133	899,169	4,558,162	4,270,407	+6.7
Crude oil imp., bbl. (Aug.)	....	....	25,834,800	22,902,000	+12.8
ELECTRIC POWER OUTPUT—(August)—					
Total monthly, 1,000 kw.h.'s	2,500,179	2,293.032	20,083,914	18,243,128	+10.0
FOREIGN TRADE—♦					
Imports .... (Aug.)	96,835,858	62,708,079	682,432,876	441,767,448	+54.4
Exports .... (Aug.)	111,359,571	76,475,742	766.533,773	561,583,507	+36.5
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. .. ... (Aug.)	281,529	248,455	1,511,451	1,363,405	+10.8
▪Shoes, prod., pr. .. (Aug.)	2,382,680	2,453,069	16,969,649	15,536,833	+9.2
Cotton consump. lb. (Aug.)	16.200,326	11,950,149	127.931,558	74,467,698	+71.8
▪Raw rubber imp., lb. (Aug.)	9,987,073	4,553,281	62,022,360	40,749,354	+52.2
Cigarette cons. No.† (Aug.)	620,889	719,562	4,965,781	4,689,886	+5.9
Sugar manufactured .. lb.§	71,339,246	71,827,680	620,345.592	561,198,546	+10.5
FINANCE—					
Bank debits† ...... (Aug.) $	2,457,706	2.389,741	22,081,944	19,899,573	+11.0
Bond sales† .... (Aug.) $	83,513	113,427	1,341,912	985,864	+36.1
Life insurance sales (Aug.) $	24,698,000	26,494,000	241,225,000	234,781,000	+2.7

°D.B.S. All Canada figure covering over 90% of the Canadian total.
†000's omitted. §For four weeks to Sept. 7, 1940. ♦Gold excluded.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. °Final.
▴Total at yards and plants.
New items for week marked ▪

SKF

BALL & ROLLER BEARINGS

ALL TYPES - ALL SIZES



MONTREAL USES MORE POWER

Output of electricity (exclusive of secondary power) registered a gain in the Montreal area during the first nine months of 1940 as seen by the graph above. Figures supplied by Montreal Light Heat & Power Consolidated show a total output of 970,653,760 kilowatt-hours as against 866,312,950 kilowatt-hours for the first nine months of 1939. This represents an increase of 12.03%.

Keeping Posted . .

By JOHN C. KIRKWOOD

Comfortable chairs are distributed throughout the store of Dayton's, Winnipeg, retailers of ladies' and men's wear. Dayton's realize — so says Men's Wear Merchandising—as do all modern retail merchants, that "customer comfort" is essential.

Comfortable chairs in retail stores are not common enough. Dayton's have scored a quick success in their business. After only four years they had to find new and larger premises—highly modernized, and they say that since the opening of their new store the volume of their business has almost doubled. They give much credit for their increasing business to their policy of making their store comfortable and attractive. Their store is fully air-conditioned and is exceedingly well illuminated.

* * *

House-keeping

Despite advances in home-building practice and much in housekeeping methods and equipment, there is still a periodic necessity to engage in the old-time job of housecleaning. Not until rooms are designed without corners and windows are sealed up, not until we take on the Asiatic habit of removing shoes on entering and develop perfect children who never lay sticky hands on painted woodwork—not until then can we hope to eliminate entirely spring and fall cleaning from the household routine. So says Canadian Homes and Gardens in its "Bulletin Board" feature.

One magazine in Canada is doing much to tell us how to make homes better from every point of view—Canadian Homes and Gardens. This ultrafine magazine is a vehicle of the messages which architects and advertisers have on both the structural and artistic phases of house building.

* * *

Hog Fuel

Hog fuel! That's a new term to most of us. Hog fuel is a by-product of the saw mills; sawdust and planer shavings with straight hog—a product made by reducing waste and trash lumber with a hog machine. This form of fuel, it is claimed, will produce approximately 4,500 B.t.u. per lb. in a well-designed plant as compared with about 12,000 B.t.u. per lb. for bituminous coal and 18,000 for oil.

Hog fuel firing, says Modern Power and Engineering for September, is a common practice in the power plants along the Pacific Coast, due to the cheapness of the fuel and its accessibility. One of the successful users is Northwestern Electric Co. of Portland. In Modern Power and Engineering is a very full account.

* * *

Pursuit of an Idea

Most success stories are the story of the pursuit of an idea. John Jacob Astor, a penniless immigrant, got the idea of the fur trade; then the idea of sending furs to China and bringing back tea; then the idea of buying real estate. All these ideas could have been possessed and pursued by a thousand of Astor's fellow citizens.

John Bayne Maclean, financial reporter on a Toronto daily newspaper, got the idea of starting and publishing trade newspapers, and in the faithful pursuit of this idea, he has built up the largest publishing business of its description in the British Empire.

* * *

Success Story

Most of us, I imagine, like reading "success" stories.

So when I saw the story of R. M. "Monty" Montague, president and general manager of Kenn's Service Garage, Edmonton, in the September issue of Canadian Automotive Trade, I read it with the same sort of zest with which I read in my youth about John Wanamaker, Heinz, Astor and Rockefeller.

"Monty" Montague began his business career in a bicycle store in South Edmonton. Then he took a step upward and forward when he became a sub-dealer of Nash motor cars. In 1936 Mr. Montague acquired distributorship for Chrysler, Plymouth and Fargo trucks for northern Alberta. But the ambitions of Monty Montague carried him beyond the business of selling cars and trucks. He organized a separate tire department. In this department has been installed new mold equipment, including equipment for the repair of farm tires, including equipment to fill farm tractor tubes with calcium chloride solution. Year by year tire sales increased. Last year they stepped up their commercial tire volume approximately 800% over the previous year.

* * *

Precision: Accuracy

"Precision"; "Accuracy." These two words kept thrusting themselves on my eyesight again and again as I scanned the advertisements in the September issue of Canadian Machinery and Manufacturing News. "Accuracy" in manufacturing processes — machine tool precision to ten-thousandths — brings immeasurable benefit. In 1860 Francis A. Pratt and Amos Whitney founded a company whose basic policy was the development of increased accuracy. Succeeding generations of Pratt & Whitney craftsmen have vigorously pursued the same idea. Today over 2,000 skilled Pratt & Whitney workers build machine tools, cutting tools and gauges that help reduce costs, expand output and win new markets. So says one advertisement.

Another advertisement — that of Shepard Niles Crane & Hoist Corp., draws attention to the Hendry precision geared head engine lathes. This advertisement says that Brown & Sharpe equipment lowers costs and improves accuracy in the manufacture of products. Other advertisers in whose advertisements occur either or both of the words "precision" and "accuracy" are those of the R. K. LeBlond Machine Tool Co., Gallmeyer & Livingstone Co., Cushman Chuck Co., William Sellers & Co., Fitchburg Grinding Machine Corp., The Henry & Wright Mnfg. Co., Rivett Lathe & Grinder, The Lees-Bradner Co., Reid Brothers Co., South Bend Lathe Works, Niagara Machine & Tool Works, Carbide Tool & Die Co., Kearney & Trecker Corp., Simmons Machine Tool Corp., Armstrong-Blum Mnfg. Co., Greenfield Tap and Die Corp., Canadian Fairbanks-Morse, Rickert-Shafer Co., Williams Tool Corp., Thos. Firth & John Brown, Delta Manufacturing Co., The Comptor Co., Armstrong Brothers Tool Co., A. R. Williams Machinery Co.

* * *

Style Morale

There's a definite relation between clothes and morale, says an editorial in Stylewear for October. The British Army realizes that soldiers and officers must be immaculate. The alert, well-dressed citizen is much better able to stand the gaff of these nerve-racking days. And what do people do when things go wrong? Stylewear's answer is: "A man may go out and get drunk; a woman is much more likely to go out and buy herself a new hat or a new outfit."

* * *

The Low-down

A book which would be welcomed by every bride is "A Home of Your Own," by Henrietta Ripperger (Musson), for it deals sensibly, satisfactorily and brightly with a wide variety of subjects of interest to beginners in housekeeping. Here are some specimen chapter titles: The Adorable Kitchen; Your China and Glass, or What the Well-Dressed Table Will Wear; The House That Shines, or After Breakfast, What?; The Low-down on Laundry; How to Boil an Egg, or Marry in Haste and Repent in the Kitchen; What You Need to Know About the Great American Can; "The Wife Takes a Maid"; Sunday Morning Breakfast—an Easy Way Out; Money and the Man; Can You Afford a Baby?

I suggest that young husbands give this book to their young spouses.

CARELESSNESS SABOTAGES CANADA'S WAR EFFORT

Without warning — more sudden than a bombing raid — fire originating from the careless smoker, the ill-kept plant or basement, may exact a toll on lives and property beyond the most sanguine hopes of a Nazi saboteur.

Every fire that is prevented helps conserve the strength Canada needs to win the war. Every man — every woman — every child in Canada should be made conscious of the need to exercise the utmost vigilance and precaution to prevent fire. Fire precaution is always wise — now it is vital.

Your nearest Employers' representative will gladly explain how you can help prevent fires on your premises.

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION LIMITED

THE EMPLOYERS' ASSURANCE

MONTREAL WINNIPEG CALGARY TORONTO VANCOUVER

Fire and Casualty Insurance

New High Likely For Lumber Sales

From Our Own Correspondent

VANCOUVER. — British Columbia's lumber exports exceeded 100 million feet in September for the fourth successive month, making it all the more probable that the present year will set a new all-time record for shipments.

Total exports were less than in August, however, being reported by the Pacific Lumber Inspection Bureau at 102,594,969 board feet, compared with 113,317,812 feet the previous month.

Lumber inspected ready for shipment to the United Kingdom in September totalled 77,299,097 feet, compared with 104,281,792 feet in August.

Dosco Properties Used to Capacity

From Our Own Correspondent

MONTREAL. — Dominion Steel and Coal Corp. properties at Sydney are operating at full capacity, while the coal mines are "producing all they can," to fill wartime orders, according to H. J. Kelley, vice-president and general manager.

Preparations are now going ahead, he added, for the opening of the Gardiner seam near Reserve which will replace No. 10 Colliery, the coal deposits of which are being depleted. However both mines are expected to be operated for a while, he said.

Shortage of Binoculars Overcome, Says Howe

The temporary shortage of binoculars for the armed forces has been overcome, according to Hon. C. D. Howe, Minister of Munitions and Supply. The situation had been met, he said, by the "magnificent public response" to his appeal to Canadians to turn in privately owned glasses, and by the wholehearted co-operation of the Bausch & Lomb Optical Co., the U. S. firm on which Canada largely depends for adequate supplies of this equipment.

Mr. Howe said he wished to correct his statement in Parliament, based on incorrect information supplied to him, indicating that the Bausch & Lomb firm had shown no great enthusiasm in meeting Canadian requirements.

Mr. Howe noted that this company devoted 90% of its instrument manufacturing facilities to the needs of the Allies during the last war and for the past year had extended its facilities and output to meet Canadian needs. Mr. Howe said the appeal made to Canadians for binoculars last June was to meet a purely temporary crisis occasioned by the rapid expansion of the naval and military forces. From the beginning of the war the U. S. firm had continued to deliver optical equipment to the Canadian forces on or ahead of schedule specified in orders.

Bell Issues Stock to Employees

From Our Own Correspondent

MONTREAL.—Bell Telephone Co. of Canada has notified the Montreal Stock Exchange that 1,020 additional shares of capital stock have been issued under the employees' stock plan. This makes the total number of shares outstanding 819,234.

EXPERIENCE • STABILITY

The many years of investment experience and the facilities of an extensive organization are placed at the service of our clients. This service may be secured at any of our branches:

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

Vigilance—

Constant supervision of an investment list is necessary to meet rapidly changing economic conditions. Consult us concerning your investment portfolio. Earnings and information covering any of your holdings will be gladly furnished upon request.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto

Offices at Toronto, Montreal, Ottawa, Hamilton, London.
Correspondents in New York and London, England.

Four questions people ask about life insurance dividends

Every day, hundreds of policyholders consult Metropolitan agents for services or information concerning their Metropolitan policies. Frequently the questions they ask have to do with dividends.

1. What is a dividend?

In a mutual company such as Metropolitan, the premium paid by the policyholder is fixed at an amount somewhat greater than the company expects will be needed under normal conditions to pay for the cost of furnishing the insurance. This is a safety measure, in order to make sure that the Company has on hand at all times sufficient funds to cover any unforeseen contingencies that may arise.

The policyholder receives back, in the form of dividends, such amounts as past experience and present conditions indicate are not needed for the current cost of insurance or for the maintenance of the necessary reserve funds which assure payment of future policy obligations. Dividends are not usually available, of course, in the very early policy years.

2. How are dividends arrived at?

After premiums and interest from investments have been credited . . . after payments to policyholders and beneficiaries, and expenses, have been met . . . after the reserve which is required by law to insure the payment of future obligations has been set aside . . . and after provision has been made for an extra safety fund (the maximum of which is limited by the law under which Metropolitan operates) . . . any funds remaining are available for dividends. The Company apportions and distributes these funds to individual policyholders in such a manner that the dividend on each policy represents the refund due on that policy for the particular year.

3. Why do dividends sometimes fluctuate from year to year?

When you read the answer to this question, you may wonder why dividends don't fluctuate more!

The actual cost of life insurance depends primarily on three factors: the claim rate among the policyholders, the interest earned, and the running expense of the company. Any material change in any of these factors may increase or may lower the actual cost of insurance.

For instance, when a life insurance company receives less in interest, insurance must cost more than it otherwise would. During the last ten years, there has been a substantial decline in interest income on most forms of investments available to life insurance companies. The savings resulting from a lower death rate and Metropolitan's slightly lower expense rates (except for taxes) have not been sufficient to offset such reductions in interest earnings.

As a result, the amount available for dividends, during the period of declining interest rates, has been reduced.

4. In what manner may I use my dividend?

If you own an Ordinary life insurance policy in Metropolitan, you may use your dividend in any one of four ways.

(a) You can receive your dividend in cash.

(b) You can apply your dividend toward the payment of premiums.

(c) Except in the case of Term insurance, you can use your dividend to purchase additional paid-up life insurance. Any such insurance, purchased in this manner, will be added to the face amount which your present policy will have at death or upon maturity.

(d) You can leave dividends with the Company to accumulate interest.

It is not feasible, of course, to make all of the above options available for Industrial or Group policies.

No matter how you elect to use your dividends, the final result is this: dividends reduce the amount you pay for your life insurance to the actual cost of providing it.

This is Number 30 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements in this series will be mailed upon request.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
NEW YORK
Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT
CANADIAN HEAD OFFICE
OTTAWA

Pulp and Paper Industry

War Alters Newsprint Activity Pattern

Seasonal Gains Lacking in September As Wartime Influences Make Themselves Felt on Operations

From Our Own Correspondent

MONTREAL.—Newsprint production and shipments last month failed to show a seasonal gain in both production and shipments. Actually there was a decline, due in part to the shorter working month, but also to the influence of new conditions which have been noticeable for the past two months.

The failure to record a seasonal gain in operations is explained by the fact the peak of operations, normally reached in October, has, for this year, been moved ahead by two to three months.

War conditions are responsible for this development. Shipments overseas, for example, have had to be made whenever possible with the result that there has been an accumulation of stocks beyond normal requirements.

Equalizing Deliveries

American publishers have cooperated with the mills in equalizing deliveries so that they now have on hand certain stocks which ordinarily they would not have received until toward the close of navigation.

Then, too, there has been a minor amount of accumulation beyond usual needs. This is not regarded as serious by either the mills or publishers.

The outlook still continues to be promising, especially in the United States, where the national defense programme is expected to put into circulation huge sums of money which will be translated into buying power and in turn to more advertising and greater consumption of newsprint paper.

The export markets were soft last month and are continuing that way during October. The expectation is that the October production and shipment figures will show a further dip from those reported for September.

Ahead of Last Year

Last month the Canadian mills produced 282,322 tons of newsprint, according to returns of the News Print Service Bureau and the Newsprint Association of Canada. This compared with 316,067 tons in the preceding month. However, the figure reported was nearly 30,000 tons greater than in September, 1939, and was the second largest output for that month in the history of the industry.

Shipments fell into line with production, amounting to 284,133 tons. This was about 48,000 tons less than in August, but was 17,000 more than in September, 1939.

Overseas Demand Lower

A breakdown of shipments shows that domestic consumption was practically unchanged at 15,255 tons. Marketings in the U. S. recorded a moderate drop—232,231 tons to 218,989 tons, but still ahead of last year—while those to overseas markets declined sharply. The latter amounted to only 49,889 tons, as against 84,026 tons in the previous month. Compared with September, 1939, however, overseas shipments last month were up nearly a third in volume.

The record of production and shipments of newsprint paper by the Canadian mills for the year to date follows:

Canadian Production	1940	1939
September	282,322	253,230
Year to date	2,573,605	2,058,899
Canadian Shipments		
Domestic:	1940	1939
September	15,255	16,443
Year to date	135,895	138,551
United States:		
September	218,989	213,219
Year to date	1,940,227	1,549,630
Overseas:		
September	49,889	37,343
Year to date	508,673	331,272
Total:		
September	284,183	267,005
Year to date	2,584,795	2,019,453

Newfoundland's production held up well last month, amounting to 29,990 tons, as against 31,724 tons the month before and with 27,390 tons in September, 1939.

For the year to date the two mills on the Island have produced 261,767 tons. This is one of the largest nine-month totals ever reported and compares with 221,919 tons produced to the end of September in 1939.

The Island mills shipped 30,131 tons last month. This was about average for the same month over the past four or five years, but was nearly 7,000 tons more than in August.

Most of the Newfoundland production continues to be diverted to the American market. Last month shipments to the U. S. totalled 16,146 tons, bringing the total for the year to date up to 118,426 tons.

Shipments to overseas markets, mainly to England, aggregate 13,934 tons, a figure slightly better than in August but well below the 1939 level. For the current year Newfoundland mills have shipped 162,423 tons to the English market, as against a comparable figure of 145,402 tons in 1939.

The American mill situation did not undergo any material change last month. Production of 77,888 tons was about 9,000 tons less than in August, but around 500 tons more than in September of last year.

Shipments followed the same trend, amounting to 77,470 tons in September and 752,792 for the year to date. In 1939 the U. S. mills shipped 78,559 tons in September and 706,016 tons for the 9-month period.

Mill Newsprint Stocks Little Changed in Sept.

From Our Own Correspondent

MONTREAL. — North American mill stocks of newsprint remained fairly constant during September. According to returns of the Newsprint Service Bureau there was a net reduction of 1,534 tons.

Canadian mills reported shipments of 1,811 tons in excess of production, while the two Newfoundland plants shipped 141 tons more than they produced during the month. The American mills, on the other hand, had a net gain of 418 tons.

Alliance Paper Stock-in-Trade

Howard Smith Offers $50 and Preferred Share In Exchange

From Our Own Correspondent

MONTREAL.—Upon completion of present arrangements, Howard Smith Paper Mills Ltd. will have, in effect, complete ownership of Alliance Paper Mills Ltd. Of the present authorized capital of the latter company, Howard Smith owns 99,960 of the 100,000 shares of issued common stock and 1,938 of the 10,035 6% preferred shares.

An offer has now been made whereby the preferred stock of Alliance Paper will be exchanged for that of Howard Smith on the basis of share for share, plus $50 in cash, for each preferred share of Alliance Paper Mills.

This will involve payment of $404,850 by Howard Smith for the balance of 8,097 preferred shares of Alliance Paper, in addition to 8,097 of its own preferred shares.

Foundation Co. (Que.) Secures New Contract

From Our Own Correspondent

MONTREAL. — Foundation Co. (Quebec) Ltd., subsidiary of Foundation Co. of Canada, has been awarded a contract for the construction of a $45,000 addition to the plant of the Anglo-Canadian Wire Rope Co., just outside Montreal. The building will be two stories high, with brick walls and structural steel frame, to measure 82 by 251 feet on completion.

Mill Operations Are Maintained

From Our Own Correspondent

MONTREAL. — Though production was lower because of the short month, Canadian mills maintained an operating ratio in September on the same basis as in August and still well above the 1939 mark. According to the Newsprint Association of Canada the operating ratio was 83.5%, as against 83.2% in August and 72.7% in September, 1939.

The trend of operations follows:

Operating Ratio of Canadian Mills Per Cent of Capacity

	1940	1939
January	68.5	59.8
February	65.8	60.0
March	68.6	58.6
April	73.4	63.4
May	85.1	66.4
June	89.5	66.4
July	90.8	65.3
August	83.2	63.0
September	83.5	72.7
October	...	77.5
November	...	79.7
December	...	69.1

Howard Smith Paper Lists More Preferred

From Our Own Correspondent

MONTREAL.—Additional preferred shares of Howard Smith Paper Mills have been listed on the Montreal Stock Exchange and will be called for trading on official notice of issue.

The listing covers 8,097 shares, bringing the number listed up to 71,713. These shares are being issued in exchange for an equal number of preferred shares of Alliance Paper Mills Ltd., which has been controlled by Howard Smith for some time past.

U. S. Pulp Mill Operations In August 86% Capacity

From Our Own Correspondent

MONTREAL.—Pulp mills making returns to the United States Pulp Producers Association report that all manufacturing facilities for the production of bleached sulphite and bleached sulphate pulps were worked to capacity during August, while operations as a whole were at 86% of capacity.

During last August mills reporting had a production of 638,522 tons, of which 500,555 tons were used by producing mills and 132,857 tons sold on the open market. The manufacture of bleached chemical pulps was at capacity, while unbleached sulphite production was equivalent to 92% of capacity reporting; unbleached sulphate, 95%; and groundwood, 67%.

Summary of Returns

A summary of the U. S. pulp situation for August, as prepared by the U. S. Pulp Producers Association, follows.:

	% of Ind'y capacity reporting	Production during August	Used by producing mills	Sales, foreign & domestic	Stocks* on hand end of August	Imports during August
Total, all grades except soda	86%	638,522	500,555	132,857	125,919	82,795
Total sulphite		223,275	110,447	106,780	69,853	55,019
Bleached	100%	139,171	63,105	71,175	45,553	31,376
Unbleached	92%	84,104	47,342	35,605	24,300	23,643
Total sulphate		314,475	285,475	18,380	22,879	17,920
Bleached	100%	48,327	40,951	6,470	4,564	5,884
Unbleached	95%	266,148	244,524	11,910	18,315	12,036
Groundwood	67%	86,965	95,604	2,317	30,916	9,557
Damaged, off-quality & miscellaneous	41%	[illegible],807	9,029	5,380	2,271	299

* Total, for own use and sale, of pulp of own manufacture. (Does not include stocks of purchased pulp.)

Import data from United States Bureau of Foreign and Domestic Commerce. Other data as reported monthly to the United States Pulp Producers Association.

Brown Co. Sales Show Big Gain

Net Gain of Over $3 Millions in Past 40-Week Period

From Our Own Correspondent

MONTREAL.—Sales of Brown Co. and subsidiaries for the 40 weeks ended Sept. 7, 1940, totalled $19,232,878. This represents increase equal to 60% over the $11,993,503 for the like period of last year.

In the 40-week period this year there was a net income after Canadian income taxes, adjustment for foreign exchange, depreciation and depletion, but before deferred interest on bonds, of $1,478,333. For the corresponding period of the previous year there was a loss on the same basis of $1,737,671.

Net sales in the four weeks ending Sept. 7 totalled $1,761,403 this year, as against $1,164,367 in the like period last year. Net, after all charges, except deferred interest, was $217,970 this year, compared with a loss of $206,403 last year.

Trust Firms Plan Merger

Guaranty Trust and Fidelity Trusts Propose Union—Meetings Called

Guaranty Trust Co. of Canada and Fidelity Trusts Company of Ontario of Niagara Falls, announce that their directors have entered into a provisional agreement for a merger of the business of the two companies.

Guaranty Trust Co. of Canada was chartered by Special Act of Parliament in 1925 and operates offices in Toronto and Windsor.

Fidelity Trusts Co. of Ontario was incorporated under the laws of Ontario in 1910, with head office at London, from whence it was transferred to the city of Niagara Falls in 1928.

The amalgamation would bring together assets totalling about $10 millions. Guaranty Trust reported total assets of nearly $6.3 millions and Fidelity Trusts of about $1.1 million at the end of last year, but there have been increases in the assets of both companies since—particularly of Guaranty Trust.

The provisional agreement provides for a consideration of cash and stock of Guaranty Trust Co. of Canada to the shareholders of Fidelity Trusts Co. of Ontario. Authorized capitalization of Guaranty Trust is 5,000 shares of $100 par value (total of $500,000), all of which has been subscribed and $250,000 paid. The stock payments to Fidelity shareholders will not involve any increase in authorized capitalization. Instead, it will be arranged through a third party now holding partially paid stock. This will be paid up fully, and some of it transferred to Fidelity shareholders. The agreement also provides for Guaranty Trust to assume Fidelity Trust Co.'s obligations to depositors and guaranteed investors.

The combined company will continue under the name of Guaranty Trust Co. of Canada and will expand its present offices at Toronto, Windsor and Niagara Falls.

The board will include all present directors of Guaranty Trust. To this would be added members representing Fidelity Trust, with E. Blake Winter, president of Guaranty Trust, continuing in that position. J. Wilson Berry will remain general manager.

A regional advisory board for the Niagara Peninsula will be set up and will be composed of Messrs. F. H. Leslie, Louis Blake Duff, G. B. Snyder, M.D., F. J. Beares, A. B. Damude, M.P., Robert Gay and C. T. Houck.

Shareholders' meetings of both companies have been called for Nov. 25 to consider the proposal.

Can. Investment Fund Dividend Payments Up

From Our Own Correspondent

MONTREAL. — Canadian Investment Fund has declared a dividend of four cents a share on the special and ordinary shares, payable Nov. 1, to shareholders of record Oct. 15. With this disbursement, 16½c. will have been paid in 1940 compared with a total of 16c. paid in 1939.

Consider Power Plans

From Our Own Correspondent

MONTREAL. — Development of electric power in Abitibi County of Quebec will be studied by the Provincial Government, according to a statement issued by Premier Adelard Godbout.

Newsprint Bonds Strong in Tone

Current Level Nearing High Mark for Past Three Years

From Our Own Correspondent

MONTREAL.—Recovery of interest in newsprint securities is indicated in the fact that current market prices on the six most actively traded bonds are now within striking distance of the 1940 high, while three of the six bonds are selling above the 1939 high.

On the whole the financial markets have been dull for many months past. There has been seemingly a lack of interest in any particular group, but the steady demand for newsprint bonds is reflected in the manner in which the market value of these securities has consistently risen to the present level.

The trend on newsprint bond values since 1939 is shown in the following representative list:

	— 1940 —		1939	
	Current	Low	High	Low
Abitibi 5/53	66½	42½	67	31
Cons. Paper 5½/61	67	46½	62½	30¼
Great Lakes 5/55	91½	80	94½	73½
M. & O. 6/45	50	29¼	49	20
L. St. John 5½/61	89	82	92¼	68
Price Bros. 5/57	97	89	99	85

Aluminum Co. Will Build Dam

Enable Isle Maligne Power Plant to Produce 30,000 H.P. More

From Our Own Correspondent

MONTREAL. — Quebec's Public Service Board has issued authority to the Aluminum Co. of Canada to proceed with construction of a water storage dam at the outlet of Lake Manouan at the head waters of the Manouan River. The purpose of this dam is to provide for greater control of the river and, in particular, the creation of a water reserve which can be released during the winter months.

This dam will have the effect of making available some 56.7 billion cubic feet of water to supplement the water stored in Lake St. John. Further by regulation of the flow of the Peribonka and Saguenay Rivers, the amount of power which can be generated in the winter at Isle Maligne plant will be increased by an estimated 30,000 h.p.

Power Need Urgent

Because of its urgent need for power, the work is being undertaken by Aluminum Co. of Canada, which purchases its power from Saguenay Power Co., owners of the Isle Maligne plant. Aluminum Power Co., owners of the Chute-a-Caron power plant, also stands to benefit from the regulation of the flow of the Saguenay River.

Both the Saguenay Power Co. and Aluminum Power Co. are controlled by Aluminum Co. of Canada, which apparently is undertaking the construction of Manouan storage dam at its own expense as a war measure.

Financial Advertisers Meet at Hot Springs

The 25th or silver anniversary convention of the Financial Advertisers Association is to be held at The Homestead, Hot Springs, Virginia, Oct. 28 to 31.

President Stephen H. Fifield, Florida, announces that from 9 to 10 a.m. the second, third and fourth days of the meeting, Harford Powel, Institute of Public Relations, Inc., New York, will conduct classes on three subjects, "Themes," "Words and How to Use Them" and "How to Frame Words to Attract Attention." Mr. Powel is a former editor of Harper's Bazaar, Collier's Weekly and Youth's Companion.

Among speakers on the programme are Benjamin E. Young, vice-president National Bank of Detroit; Chester C. Parlin, former research director, Curtis Publishing Co.; Price Gilbert, advertising manager, Coca-Cola Co., Atlanta; E. J. Alexander, vice-president, Fuller, Smith & Ross Inc., Cleveland, and Perry I. Prentice, vice-president, Time Inc., New York.

The Financial Advertisers Association held its 24th annual convention in September last year in Toronto.

G. L. Spry, The Canada Trust Co., is Canadian director.

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Head Office — 680 Sherbrooke St. W., Montreal, P.Q.
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Manufacturers of Newsprint for
THE CHICAGO TRIBUNE
THE NEW YORK DAILY NEWS

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning directly or through subsidiary companies, mills at

Beaupre, Que.
Pine Falls, Man.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Port Arthur, Ont.

Newsprint
Groundwood Pulp
News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Meeting the Right People is Just as Important in Business

MEETING the right people . . . impressing them favourably . . . is the first step in selling your service or product.

Through Radio the "All-Canada" Stations can introduce you to the right people . . . tell you where and when and how to find them . . . take you into their homes when they are in a receptive mood . . . give them your message in a manner that has a particular appeal for them . . . build goodwill to the company and its products.

For radio advertising will give you advantages available through no other medium and there's an "All-Canada" station in every major market centre from coast to coast. Our representative can supply information about rates, times and stations. Get the advice which his wide experience has equipped him to give you regarding the type of program most suitable for your requirements. This service is available through all recognized advertising agencies without cost or obligation. If you are not served by an agency, write or phone our nearest branch.

ALL-CANADA
ALL-CANADA RADIO FACILITIES Limited
Montreal - Toronto - Winnipeg - Calgary - Vancouver

they LOOK BETTER— and SELL BETTER—in "Cellophane"
Daintimaid
CUP CAKES
CANADA BREAD COMPANY LIMITED
Delicious Cake
CANADA BREAD

THE market for bakery products is highly competitive. It's not enough to make a tasty product—to *sell* in that market baked goods must be kept fresh by being well-protected and must have lots of "sales-appeal".

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Laura Secord

I would like an outline of the earnings record of Laura Secord Candy Shops. Is it possible that restrictions will be placed on its business in wartime?

Laura Secord Candy Shops has established a stable earnings record over a number of years. In the year ended Sept. 30, 1939, the company earned $1 a share on its common, on which dividends of 80 cents a share are paid.

Financial position is exceptionally strong and it has a well-established position in its business. Candy sales would probably be classed as a luxury business, and it is conceivable that they might be subject to some restrictions, although it is by no means certain this will be necessary. It is thought the basis to be used for restricting civilian consumption will be whether or not supplying of the product in question actually interferes with the output of war materials. This condition does not seem likely to apply to Laura Secord.

With stable earnings and a strong financial position permitting maintenance of dividends, the range of price movement in the stock is not very great.

Hiram Walker

Can you give me an outline of the record of earnings of Hiram Walker-Gooderham & Worts? How do the common and preferred stocks compare?

Following a period of rapid growth in earnings, after the repeal of prohibition in the United States, earnings of Hiram Walker-Gooderham & Worts have become much more stabilized. The period of building up inventories of whiskies is at an end and the liquor industry in the United States, where by far the larger proportion of Walker's business is done, has become highly competitive from both the sales and price standpoint.

The preferred stock of Hiram Walker is lacking in speculative appeal, although the $1 a share dividend appears quite secure. This stock is callable at $20 a share, which limits any price appreciation.

On the common, the company is paying regular $4 a share annual dividends, which have been covered from current operations by a good margin in recent years. For the first nine months of the year which ended Aug. 31, last, the company reported net profit equivalent to $5.38 a share on the common compared with $5.37 a share in the preceding year. Walkers has an extensive investment in Scotland where a new distillery was just opened a year or two ago. This is now shut down because of wartime restrictions. Yields on this stock are normally above average.

Canadian Canners

I would like a full outline of the position of Canadian Canners. What has happened to its export market, and how important is this in the total business of the company?

Canadian Canners Ltd., currently is operating at what appears to be the highest rate since at least 1926, first year for which figures are available. In the year ended Feb. 29, 1940, net profit was equal to $1.5 million, compared with $257,444 in the previous year, and $723,028 in the 1937-38 fiscal period.

The company's important export markets of Great Britain, Australia and New ealand have been seriously affected by the war and officials see little hope of improvement in the situation in the near future. Normally, export business is about 25% of the company's total, although heavy demands in the fall of 1939 took exports to 35% for the latest fiscal year.

Generally increased tempo in business in Canada due to war has, on the other hand, improved the company's domestic business. This is expected to offset to some extent loss of the British market.

Canadian Canners is in good position financially and at Feb. 29, last, showed a working capital of almost $6 millions. Cash position showed substantial improvement over the previous six years. Bank loan of $1.3 million had been wiped out.

The company is the largest organization of its kind in the British Empire. It cans fruit, vegetables, jams, jellies, catsups, meats, etc., which are sold under the trade name of "Aylmer."

The first payment on the common stock since 1932 was made in April this year and two similar distributions of 12½ cents per share have been made since.

Gatineau Power

I understand Gatineau Power has bonds outstanding which are payable in U. S. funds. Will you advise if they are paying in Canadian funds only; whether or not they are adding the exchange premium; and whether or not they have absorbed the 5c Dominion tax?

Gatineau Power, when it refunded its former 5% first mortgage bonds, issued two new series: A and B bonds.

The series A bonds are payable in American currency at the Chase National Bank, New York. The series B bonds are payable in Canadian currency in various Canadian cities. The bonds are not interchangeable as between the different series.

The company has about $52 millions of series A outstanding and $10 millions of the series B. Holders of series A bonds would get their interest in U. S. funds. A Canadian cashing the series A coupons would have deducted from the amount paid him the 5% tax, as he would be cashing coupons payable in a currency at a premium of more than 5% in terms of Canadian funds.

Saguenay Terminals Plans New Wharf

From Our Own Correspondent

MONTREAL.—Saguenay Terminals Ltd., subsidiary of the Aluminum Co. of Canada, has deposited with the Federal Department of Public Works, a description of the site and plans for a wharf in the Saguenay River at Port Elgin.

MEDIUM-PRICE CADILLACS INTRODUCED

Medium-price models have been added to the hitherto higher priced line of Cadillac cars as a feature of offerings for the 1941 model year. Along with two other new series, this increases to six the number of Cadillac lines. All models this year are trimmed by the Fleetwood custom body division of General Motors and are powered with V-8 engines whose rating has been stepped up to 150 h.p. Other new features include stronger frames, heavier bumpers, sliding sun visors and extensive redesigning of body lines. Choice is available of models with or without running boards or concealed when doors are closed.

Noranda Loses Out On Its Abitibi Move

Attempt of Noranda Mines Ltd. to have the sale of Abitibi Power & Paper Co. delayed or to obtain a cash distribution on the 5% bonds was denied by Mr. Justice Urquhart.

In his written judgment, Mr. Justice Urquhart pointed out that receivership was never intended to become a permanent condition of operations for Abitibi nor any other company.

In his written judgment Mr. Jus-he stated, "to appoint a receiver and manager and then have him carry on forever. The object of the appointment of a receiver and manager is ultimate and speedy sale, and although the management has been excellent and increasingly successful, the bondholders, having reecived nothing for all these years, are entitled to their remedy."

The judge emphasized that the Master of the Supreme Court, in setting the reserve bid, should take into consideration the large gains in earnings and should make certain that the reserve bid is adequate.

"To postpone the sale would be flirting with the future, in my opinion, and would create a great hazard and no one would be justified in allowing the matter to be deferred very far into the future.

"If it should happen for any reason that the sale is abortive, I see no reason why the applicant should be barred from making an application to the court, either to have money on hand distributed or to have the properties sold piecemeal, merely by reason of the dismissal of the application."

Sought Report

At the hearing in the Ontario Supreme Court, Everett Bristol, K.C., for Noranda contended that the four months since the sale order was granted had brought vital changes in Abitibi's position. He asked the court to grant a postponement of at least a month in the sale and to require that G. T. Clarkson, receiver and manager report to the court. Mr. Clarkson's report would have been directed toward determining how much cash Abitibi could spare for distribution and an analysis of just which sections of the properties might not be essential to successful operation of the newsprint enterprise.

Mr. Bristol contended that Mr. Justice Middleton, when he mentioned that Abitibi appeared unable to pay anything on account of its bond interest, did not have in mind the improvement that has taken place in earnings. With this, however, the judge did not agree.

Clarifies Earnings

Glyn Osler, K.C., representing the Bondholders' Protective Committee, discussed the matter of Abitibi earnings under receivership. He pointed out that the sum of somewhat over $21 millions which Noranda in its affidavit stated was available for depreciation and bond interest needed some clarification. Depreciation, for example, should come off first, he said, and would require about $14 millions for the receivership period, leaving only $7 millions actually available for bond interest instead of $21 millions. Moreover, he pointed out that practically all of this $7 millions came from results of the past year or two.

Mr. Osler stressed the vital importance of not being misled by a temporary spurt in earnings such as he suggested might now be under way.

The judge mentioned that postponing the sale would mean loss of the several thousands of dollars already spent in preparation. To this, Strachan Johnston, K.C., counsel for the Montreal Trust Co., added that the advertisements alone had cost over $10,000.

Justice Middleton questioned whether or not a working capital of $9 millions which Mr. Clarkson had stated would be adequate in 1937 would serve the company's needs now when operations were on a much larger scale.

E. G. McMillan, K.C., counsel for the liquidator, supported the Noranda motion. He maintained that the chief difference between the present application and that of last June was that the first was on behalf of bondholders who desired to buy Abitibi assets at the lowest possible price. The Noranda application, he said, seeks to get as much as possible for non-depositing bondholders.

Strachan Johnston, K.C., contended that there can be no appeal from the sale order of Mr. Justice Middleton. This matter had ended when the liquidator's application for permission to appeal had been denied. He maintained that an application to alter the original sale order is virtually an appeal.

Not Timely Application

Both Mr. Johnston and Mr. Osler stressed that the Noranda application was not timely at this late date, only a few days in advance of the date set for the sale. Mr. Osler stated that Noranda had taken no interest in the affairs of Abitibi until Oct. 4 while the Bondholders' Protective Committee had been continuously active.

Mr. Osler held that the trust deed indicates that an individual bondholder should not have the right to overrule the wishes of the great majority. He stated that it was not a case of oppression of minority bondholders in that these had a choice of alternative courses of action in that they could either deposit their bonds or not deposit and take whatever cash settlement might be coming.

He took issue with the contention that only one bid would be forthcoming at the sale. He mentioned that there was lots of money in the United States waiting for profitable investment and that they "may fairly hope" for a substantial bid, either from interests around Chicago or in the east.

Offer For Provincial

The idea of a piecemeal sale of Abitibi assets has apparently taken hold in various quarters.

N. E. Wainwright, president of the fine paper distributing concern, Buntin, Gillies & Co., and formerly head of Don Valley Paper Co., has written to Premier Hepburn offering to buy Provincial Paper Co. He mentions that he would be willing to pay twice the book value of Provincial Paper common shares as carried on Abitibi books. This would make his tentative price around $3 millions.

It is the common shares of Provincial Paper that Abitibi holds. Dividends and earnings on these shares have not been large in recent years amounting to 99 cents a share in 1939 and a deficit of three cents a share in 1938 after payment of preferred dividends. No dividends have been paid on this common since 90 cents a share was disbursed in 1937. In previous years Provincial has been able to earn substantial sums. Its financial position is particularly strong.

Montreal Stock Sales Higher in September

From Our Own Correspondent

MONTREAL.—Value of transactions on the Montreal Stock Exchange and Montreal Curb Market during September totalled $4.1 millions, an increase of $505,000 over the previous month's total. The current figure compares with $36.2 milllions for Sept., 1939. The exceptionally high total for September last year was due to the sharp rise in security values following the declaration of war.

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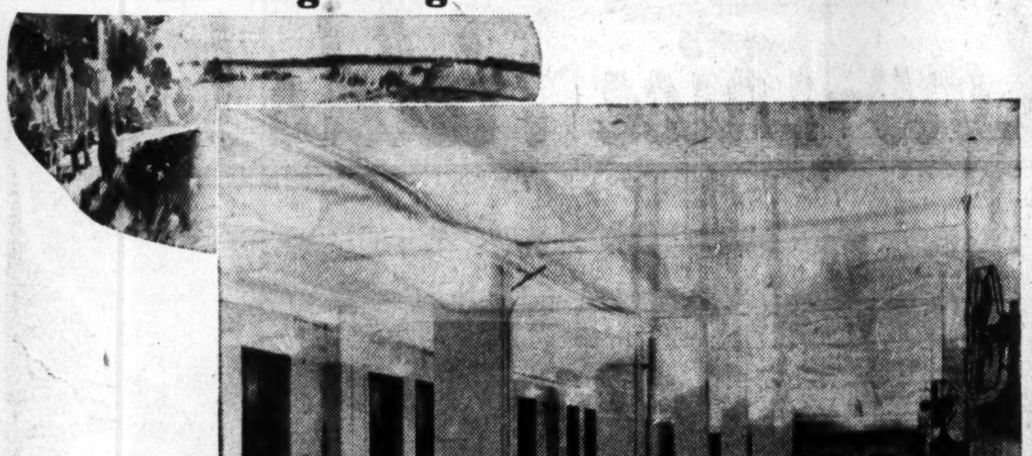

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Indeed, so great is the power at your command that at 30 you use only one-eighth of the energy at your disposal. All the rest is there waiting for pick-up, hill-climb and sudden getaway. Even at 50 you use less than one-quarter of your available power.

More than that, to this engine you can likewise add Compound Carburetion—and step up both power output and your mileage. At 30 you'll get nearly one and one-half more miles per gallon, at 50 almost two.

But that's just one side of the story—the *facts* side. Only one thing will give you the stirring feel of Buick's thrill-packed behaviour on the road.

That's a demonstration — and it's yours for the asking. Why not see your Buick dealer today?

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BUICK FIREBALL VALVE-IN-HEAD ENGINES—115, 125 and 165 horsepower.
MICROPOISE BALANCING AFTER ASSEMBLY.
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*According to the Encyclopaedia Britannica, a super meteor which travels with a series of explosions like the shock waves of a great projectile is called a "FIREBALL."

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Frosts and Low Acreage Wipe Out Tobacco Surplus

Reduced acreage and severe early frosts have drastically corrected the tobacco supply situation this year. Canada's flue-cured crop is now estimated at only 28 million pounds compared with almost 80 millions in 1939 and a 5-year average of between 45 and 50 millions.

Flue-cured type composes the bulk of Canada's $20 million commercial crop and 90% of it is grown in southwestern Ontario. Because of export difficulties to Great Britain following the outbreak of war and the abnormally heavy yield last fall, growers reduced acreage by 30% this spring. Two early frosts hit the plants just before harvesting.

Canadian consumption of home-grown flue-cured tobacco is about 38 million pounds and normal export 10 million, all of which goes to Great Britain. Assuming domestic requirements remain stable, this demand should absorb the whole of the light crop this year and a large portion, if not all, of the unsold export surplus of last year as well. No prices have been definitely reported for the current crop, but on the basis of average figures of recent years it will be worth less than $10 millions compared with around $20 millions in 1939 and 1938.

Canada Year Book Has New Features

History as well as statistics has been packed into the Canada Year Book for 1940, copies of which are just off the press.

The first 10 months of Canada's war effort are surveyed in considerable detail as well as main changes in the country's economy as a result of the conflict.

Other "1940 events" covered are the Rowell-Sirois Report with a summary of the chief recommendations and its chief financial statistics and the General Election of March 26.

In keeping with its general policy of co-ordination of related statistics the 1940 Year Book has broadened its treatment of power to cover all phases, and not, as formerly, just water-generated. Agriculture, likewise, has been broadening to include marketing legislation, technical education, etc.

New special articles or chapters include the Royal Canadian Mint, Insurance as it affects the Balance of International Payments and the National Harbours Board.

The present volume has been edited by A. E. Millward. The book is prepared by the Dominion Bureau of Statistics and copies are available from the King's Printer at $1.50.

Municipal Reports

Fredericton, N.B.

Fredericton, N.B., reports net debenture debt of about $702,000 at the end of 1939, up $182,000 from a year previous. Bank loans are down slightly.

Surplus of about $1,300 for the year is up slightly from 1938.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	366,044	358,806
Expenditure	364,705	358,32'
Assets and Liabilities		
Total assets	1,768,034	1,474,848
Total debenture debt	921,500	717,000
Total sinking fund	219,091	197,712
Bank loans	35,811	40,474

Nanaimo, B.C.

Net debenture debt of about $750,000 for Nanaimo, B.C., at the end of 1939, is up about $172,000 from a year previous. Bank loans are unchanged, while other liabilities are up slightly.

The 1939 budget about balances, compared with surplus of about $5,000 in the previous year. Tax arrears show an increase.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	344,037	315,014
Expenditure	344,073	310,220
Total assessment	5,556,937	5,505,110
Exemps. not incl.	684,015	679,260
Cur. tax levy	151,776	151,519
Curr. tax arrears	22,346	22,037
Total tax arrears	34,419	30,182
Tax rate (mills)	60	60
Assets and Liabilities		
Total assets	1,427,960	1,269,202
Total debenture debt	1,130,100	951,100
Total sinking fund	384,269	377,301
Sink. fund in arrears	30,160	40,701
Bank loans	10,000	10,000
Other liabilities	182,704	172,809

Lachine, P.Q.

Net debenture debt of Lachine, P.Q., is reported at less than $4.6 millions at the end of 1939. This is down about $76,000 from the previous year. A substantial increase is shown in bank loans.

Surplus of about $26,000 is up approximately $10,000 from the previous year. An increase is reported in tax arrears.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	809,464	780,134
Expenditure	783,508	764,410
Total assessment	20,245,506	19,989,962
Exemps. not incl.	9,281,824	9,260,041
Curr. tax levy	755,799	731,958
Curr. tax arrears	197,302	192,766
Total tax arrears	486,137	469,698
Tax rate (mills)	18.8	18.1
Assets and Liabilities		
Total debenture debt	6,391,284	6,248,555
Total sinking fund	1,734,434	1,614,413
Bank loans	163,687	41,000
Other liabilities	123,649	126,802

New Toronto, Ont.

New Toronto, Ont., reports total debenture debt of $1.5 million at the end of 1939, down about $58,000 from a year previous. Bank loans of $65,200 have been wiped out, while other liabilities also show a substantial reduction and are practically wiped out.

Surplus of $14,339 is reported, due primarily to reduction in relief. The figure compares with about $9,000 in the previous year. Total tax arrears show a reduction.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	364,816	372,175
Expenditure	350,477	363,054
Total assessment	6,080,867	6,080,867
Exemps. not incl.	1,191,747	1,191,747
Total tax arrears	75,283	83,424
Tax rate (mills)	....	55
Assets and Liabilities		
Total assets	1,704,995	1,430,521
Total debenture debt	1,451,270	1,509,057
Bank loans	nil	65,200
Other liabilities	2,217	126,891

Twp. of Stamford, Ont

The Township of Stamford, adjacent to Niagara Falls, Ont., reports total debenture debt of $906,038 at the end of 1939. This is down about $80,000 from a year previous. Bank loans are about unchanged.

Tax arrears are down and tax levy up. Surplus of about $20,000 compares with figure of about $2,500 in the previous year.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	234,033	269,777
Expenditure	213,950	267,382
Total assessment	8,059,787	8,018,154
Curr. tax levy	359,044	308,195
Curr. tax arrears	47,804	......
Total tax arrears	67,903	75,871
Assets and Liabilities		
Total assets	1,087,404	1,139,220
Total debenture debt	906,038	986,624
Bank loans	39,107	38,885

Stratford, Ont.

Stratford, Ont., reports net debenture debt of less than $1.2 million at the end of 1939, down $48,000 from a year previous. Bank loans at $175,000 are down substantially, as are other liabilities.

A fractional surplus was shown in 1939, down from the 1938 figure of about $1,000. A substantial reduction was effected in tax arrears.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	462,187	717,324
Expenditure	461,906	716,386
Curr. tax levy	653,631	673,363
Curr. tax arrears	112,817	124,915
Total tax arrears	157,814	297,386
Assets and Liabilities		
Total capital assets	5,338,896	5,445,674
Total debenture debt	2,288,435	2,406,266
Total sinking fund	1,114,355	1,176,839
Bank loans	175,000	305,000
Other liabilities	46,175	78,720

Weston, Ont.

Weston, Ont., reports total debentures unmatured of $912,315 at the end of 1939, down about $39,000 from a year previous. Other liabilities showed a decline.

Surplus of $5,678 for 1939 compares with $1,630 for the previous 12 months. Tax arrears are off a fraction.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	203,609	209,071
Expenditure	197,931	207,440
Tax arrears	56,162	58,326
Assets and Liabilities		
Total assets	1,112,436	1,161,504
Debentures unmatured	912,315	951,287
Bank loans	14,299	14,299
Other liabilities	8,491	14,159

York Township, Ont.

Total debenture debt of York Township, Ont., of $15.5 millions at the end of 1939 is down about $2.1 millions from the previous year.

Tax arrears show a fair decline. Surplus of $19,049 is up from $4,486 in 1938.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	722,751	647,743
Expenditure	703,702	643,257
Total assessment	28,332,089	28,938,606
Curr. tax levy	2,559,742	2,669,706
Curr. tax arrears	581,545	723,131
Total tax arrears*	2,851,115	3,001,973
*Including acquired properties.		
Assets and Liabilities		
Total assets	20,583,136	24,092,013
Total debenture debt	15,527,883	17,626,464

Belleville, Ont.

Net debenture debt of $1.6 million is reported by Belleville, Ont., at Dec. 31, last. This is down about $127,000 from a year previous.

Surplus of $13,786 is reported for last year, up about $8,000 from the prior 12 months. Tax arrears are down.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	649,435	651,976
Expenditure	635,649	646,945
Total assessment	10,260,653	10,224,108
Exemps. not incl.	4,324,770	4,314,400
Curr. tax levy	551,212	561,791
Curr. tax arrears	94,636	111,167
Total tax arrears	......	220,521
Tax rate (mills)	45.5	46.5
Assets and Liabilities		
Total assets	3,812,525	4,092,850
Gross debenture debt	2,606,445	2,791,658
Total sinking fund	961,358	1,019,201
Net debenture debt	1,645,087	1,772,457

Oshawa, Ont.

Gross debenture debt of $2.6 millions for Oshawa, Ont., at the end of 1939, is down about $327,000 from a year previous and off $2.6 millions from the end of 1930. Bank loans and other liabilities also show reduction.

Deficit on current account for 1939 of about $11,000 shows substantial improvement over the 1938 figure of about $56,000.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	1,005,816	1,011,060
Expenditure	1,016,333	1,067,049
Total assessment	26,155,715	25,978,295
Exemps. not incl.	2,675,555	2,728,285
Curr. tax levy	967,602	931,131
Curr. tax arrears	160,470	150,166
Total tax arrears	360,415	433,897
Tax rate (mills)	31.5	30
Assets and Liabilities		
Total assets	3,636,935	3,880,358
Gross debenture debt	2,620,272	2,947,479
Bank loans	400,000	443,700
Other liabilities	398,344	406,810

North Bay, Ont.

North Bay, Ont., reports total debenture debt of $1.9 million at the end of 1939, down $102,000 from a year previous. Bank loans were reduced sharply and almost eliminated.

A sharp reduction is reported in tax arrears. Deficit of $20,656 for 1939 is up from $11,631 in 1938.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	802,778	720,334
Expenditure	823,434	731,964
Total assessment	9,472,629	9,430,910
Exemps. not incl.	2,343,355	2,298,270
Curr. tax levy	659,618	663,709
Curr. tax arrears	123,403	144,816
Total tax arrears	291,060	356,802
Tax rate (mills)	61.5	62
Assets and Liabilities		
Total assets	2,307,722	2,104,513
Total debenture debt	1,944,516	2,046,391
Bank loans	3,285	204,701
Other liabilities	42,397	36,922

Kamloops, B.C.

Net debenture debt of Kamloops, B.C., of $268,000 at the end of 1939 is up from $104,000 at the end of 1938. Bank loans are unchanged, but other liabilities show a sharp reduction.

A small decline is reported in tax arrears. Surplus of about $9,000 is about the same as in the previous year.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	286,398	287,042
Expenditure	277,532	277,102
Total taxable assess.	3,843,095	......
Curr. tax levy	157,220	171,928
Curr. tax arrears	26,452	32,172
Total tax arrears	49,944	51,144
Tax rate (mills)	40	40
Assets and Liabilities		
Total assets	1,625,107	1,717,089
Total debenture debt	606,921	598,921
Total sinking fund	338,876	494,487
Bank loans	12,500	12,500
Other liabilities	29,478	469,316

Wetaskiwin, Alta.

Wetaskiwin, Alta., reports net debenture debt of $133,061 for 1939, down almost $11,000 from a year previous. Other liabilities show an increase offsetting the increase in funded debt.

Tax arrears show little change. Deficit of $2,407 compares with a budget practically balanced in the previous year.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	62,894	63,026
Expenditure	65,301	63,292
Total asssessment	1,971,079	1,943,270
Exemps. not incl.	548,720	544,270
Curr. tax levy	79,439	77,634
Curr. tax arrears	17,203	13,951
Total tax arrears	52,279	51,461
Tax rate (mills)	35	34
Assets and Liabilities		
Total assets	360,910	345,073
Total debenture debt	164,778	176,353
Total trust fund, offsetting debs.	31,717	32,450
Other liabilities	13,185	2,494

East York Township, Ont.

Bonded indebtedness of East York Township, Ont., which had been in default of principal since Oct. 1, 1933, and of interest since March 1, 1935 (from which date payments were made at the rate of 3% annually on account), was refunded in 1940 on the basis of a plan dated Dec. 1, 1939.

Total debenture debt of $5.3 millions at the end of 1939 showed a reduction of about $833,000 from a year previous.

Surplus of about $10,000 was reported on current account for the year. Tax arrears were reduced substantially.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Total assessment	14,438,748	14,407,707
Exemps. not incl.	......	3,203,700
Curr. tax levy	1,084,845	1,088,304
Curr. tax arrears	282,618	320,169
Total tax arrears	686,211	769,197
Assets and Liabilities		
Total assets	......	7,475,406
Total debenture debt	5,253,880	6,086,361
Bank loans	592,468	592,468
Other liabilities	......	3,042,915

Amherst, N.S.

Amherst, N.S., reports net debenture debt of $534,500 at the end of 1939, up about $115,000 from a year previous. Bank loans and other liabilities, on the other hand, showed reductions.

Tax arrears are up slightly. Deficit of almost $5,000 compares with over $7,000 in 1938.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	208,726	217,533
Expenditure	213,457	224,714
Total assessment	3,857,220	3,834,430
Exemps. not incl.	847,100	846,375
Curr. tax levy	176,142	175,938
Curr. tax arrears	38,944	40,204
Total tax arrears	96,488	92,400
Tax rate (mills)	45.5	46.0
Assets and Liabilities		
Total assets	1,987,004	1,904,122
Total debenture debt	1,041,600	953,000
Total sinking fund	507,122	534,027
Bank loans	32,867	49,138
Other liabilities	9,588	12,748

Sault Ste. Marie, Ont.

Net debenture debt of Sault Ste. Marie, Ont., of $1.2 million at the end of 1939 is down about $160,000 from a year previous.

A reduction is reported in tax arrears. Surplus of almost $3,000 is up slightly from the previous year.

	1940	1939
Tax rate (mills)	35.5	35.5

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	1,094,985	909,686
Expenditure	1,092,063	907,134
Total assessment	19,239,802	19,176,852
Exemps. not incl.	4,778,285	4,594,505
Curr. tax levy	785,526	775,198
Curr. tax arrears	107,495	135,778
Total tax arrears	283,757	311,951
Assets and Liabilities		
Total assets	6,693,027	6,730,296
Total debenture debt	2,841,172	2,910,286
Total sinking fund	1,660,333	1,571,242

Cornwall, Ont.

Total debenture debt of $1 million at the end of 1939 is down about $17,000 from a year previous. Other liabilities show a decline of about $8,000 to $144,237.

Tax arrears increased during 1939 as compared with the previous year. Surplus of $5,458 was fractionally higher than in the previous year.

Income and Assessment
Years Ended Dec. 31

	1939	1938
	$	$
Revenue	141,812	159,171
Expenditure	136,354	155,428
Curr. tax levy	330,217	335,849
Curr. tax arrears	65,640	61,242
Total tax arrears	99,517	88,013
Res. for tax arrears	1,619	......
Assets and Liabilities		
Total assets	1,598,863	1,616,115
Total debenture debt	1,006,106	1,023,308
Other liabilities	144,237	152,681

Many Firms Get War Orders

Largest Contract Goes to Small Arms Ltd., Toronto, For Ordnance

The Department of Munitions and Supply announced the award of contracts for $9.1 millions of equipment during the week ended Sept. 27. Among this list were the following going directly to companies in which there is investment interest.

	$
Foodstuffs:	
Canada Packers	32,174
Tents & canvas goods:	
Woods Manufacturing	45,144
Sanitary supplies:	
Dominion Textiles	14,000
Dockyard stores:	
Dominion Engineering	25,435
Canadian Car & Foundry	10,564
Can. John Wood (Inter. Metal)	13,013
Land transport:	
Ford of Canada	38,349
Aircraft:	
Canadian Vickers	23,709
Noorduyn Aviation	94,873
National Steel Car	9,563
Electrical Equipment:	
Canadian Marconi	76,367
Robert Mitchell Co.	8,820
Gasoline, oil & fuel:	
McColl-Frontenac	30,750
B. A. Oil	61,500
Machinery:	
Canadian Ingersoll-Rand	8,546
Canadian Fairbanks-Morse	34,149
Unclassified:	
General Steel Wares	6,285

Federal Grain Net Advances

Company is Doubling Its Storage Capacity With Temporary Facilities

Net profit of Federal Grain Ltd. for year ended July 31, last, was $94,142, compared with a loss of $25,076 for the preceding year, according to H. E. Sellers, president. The company operates 408 country elevators in the three Prairie Provinces and terminals at the head of the lakes with total capacity of nearly 5.3 million bushels.

An increase in volume of grain handled was shown over the prior year, Mr. Sellers reports. The bumper crop of this year, together with the large carryover and restricted shipping, will cause considerable difficulty in handling and storing. To meet the emergency, the company has arranged to provide temporary additional storage of about five million bushels, practically doubling the company's facilities.

The company is operating again under contract with the Canadian Wheat Board on the same terms and conditions as last year, with the exception of a one-third reduction in storage rate. The loss of revenue resulting from this reduced rate, in the opinion of the president will be offset to some extent by increased storage facilities.

Heavy Capital Expenditures

Capital expenditures during the year totalled $164,220, it also is reported. This is in accordance with the policy of spending substantial amounts for elevator renewals and installation of modern equipment in country and terminal elevators. Depreciation of $436,434 was provided, compared with $170,740 the previous year.

First mortgage bonds of the par value of $155,000 were retired in accordance with sinking fund provisions, bringing total amount of bonds cancelled to $1.3 million of an original issue of nearly $4.3 millions. Further purchases of bonds with par value of $196,000 have been made, in anticipation of future sinking fund requirements.

Bond interest of $176,940 was paid, with additional cost of $19,048 for premium on U. S. funds.

Tamblyn Profits Still Climb

The substantial increase in both sales and profits shown by G. Tamblyn, Ltd., in the first six months of the year, as compared with the same period of 1939, was accelerated in the third quarter ending Sept. 30. Business for the period showed "decided" improvement, according to a letter accompanying current dividend checks from W. C. Scott, president.

Officials look forward to improved business in the final quarter of the year, and indications are final results for the 12 months will show a major increase over 1939. Profits in the first six months were up over 26% and sales up over 3% from the same period of last year. These figures are after provision for increased income taxes, although not taking into consideration any possible effect of the excess profits tax.

During the third quarter a new store was opened in Walkerville, Ont. Sales are up to expectations, while the other store in this area continues to increase its sales. Previously this year a new store was opened in each of London, Ottawa and Sarnia.

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Telephone
Gas
Electricity
Groceries
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"so much" a month
Now You Buy

FINANCIAL SECURITY
RETIREMENT INCOME
EDUCATION INSURANCE
ON EASY MONTHLY INSTALMENTS

THOUSANDS OF DOLLARS
OF AN ESTATE CREATED (Depending on Age of the Insured)
—FOR $10 A MONTH

Now you can buy Life Insurance on this convenient, monthly budget plan.

You figure what you can afford to *Budget* each month, *in units of $10* and that $10 (or multiples of it) buys you so much Life Insurance. For example —a man of 30 decides to budget $10 a month for Insurance, (he has, of course, many choices depending on his particular needs) but here is what $10 in the Dominion Security Plan will provide:—

$5,332 to his loved ones, if he dies, or $30 a month to them for almost 20 years; a pension for himself of over $26 a month for life, starting at 65.

(This income is guaranteed for not less than ten years even though he dies before that period expires.) $20.00 a month would double these benefits—$30 triple them—and so on. Moreover, Profit participation will add considerably to the sums received.

Now consider this—If you can budget $10 a month for a start in Life Insurance—or can pay $10 a month more than at present—why not fill in the Coupon and mail? You know what the premium will be. Let you and our Representative discuss the *kind* of Policy your special circumstances need, and how much of it the $10 a month will provide.

IT'S EASY TO PAY THE BUDGET WAY—CLIP AND MAIL THIS COUPON TODAY!

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I have $10 a month I can put into Life Insurance. Please advise me what it will buy on your "Life Insurance on a Budget Plan".
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For The First Time—
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- ★ Flashing Pickup of New "Flying Scot" Engine!
- ★ Coil Springs on All Four Wheels!
- ★ New "Unitized" Steel Body—Safer, Quieter!
- ★ Improved Weather Eye Conditioned Air System . . . and Convertible Bed!
- ★ Overall Savings up to $100 a Year!

NOW—NASH FOUR-DOOR SEDANS FROM $1244*
DELUXE MODEL ILLUSTRATED, $1372*

Good News! In the Face of Rising New Car Prices—

TODAY — there's a *new* kind of car in the low-price field—the 1941 Nash!

It's so new . . . so different that driving it is a thrilling experience.

Little would you believe, as you look at the size of it—194 inches long—that it delivers 30 to 35 miles to the gallon, with usual good driving.

Powered by Nash's new-type "Flying Scot" Engine, it's the fleetest, *smoothest* "six" you ever had your hands on!

You'll be delighted by the way it responds to the wheel but laughs at bumps. With two-way Ball-bearing Steering and soft coil springs on *all four wheels* — it rides like a miracle in motion.

Its amazing quiet, its unusual roominess are due to a new kind of "unitized" construction. Frame and body are welded together. The front seat's almost five feet wide. The rear has ample space for Nash's big Convertible Bed.

*New 1941 prices begin in the low-price field—$1,162 for a big Ambassador "600" Business Coupe. All prices, delivered here, include standard equipment and tax. *Weather Eye, Fourth Speed Forward, Convertible Bed, Special Paint and White Side Wall Tires are optional, at slight extra cost.*

Even the air you breathe is different—thanks to the new conditioned-air wonders of the Weather Eye System.

This year Nash prices are low. All Nash cars have new economy. See also the big, beautiful new Nash Ambassador Aero-powered Sixes and Eights—at your dealer's.

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Sir Norman Angell—

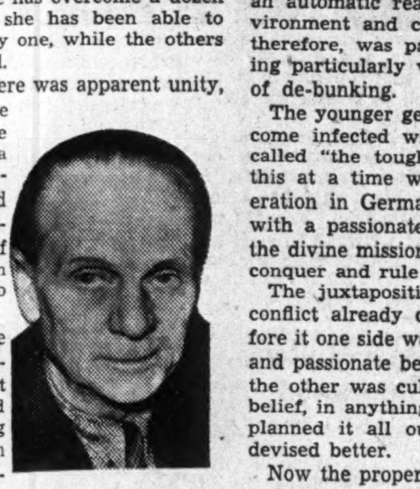
How Hitler's Poison Ideas Are Planted to Divide Us

This is the third of a series of five articles which the famous British author, Sir Norman Angell, is writing specially for The Financial Post. Remaining articles in the series will appear in successive issues.

This world-famous Socialist and Pacifist warns against swallowing the Nazi propaganda which says capitalism is the cause of war. How Hitler plays the Right against the Left to disunite the democracies.

By SIR NORMAN ANGELL

The primary source of Germany's strength has been the divisions among her enemies. She has overcome a dozen nations because she has been able to take them one by one, while the others remained neutral.



SIR NORMAN ANGELL

Even where there was apparent unity, as between France and Britain, she was able to do a great deal to undermine it, and diminish the effectiveness of their co-operation in resistance to her.

This technique of divide and conquer was not merely directed toward separating one non-German nation from another, but was applied to creating divisions within each nation.

We see now, after the event, more clearly than we could before, that France was a deeply divided nation, with certain elements seeing opportunity for themselves — opportunities of power and wealth—in a German victory, opportunities which they could never have found in a French victory and a German defeat.

We can also see now, more clearly than before, the ideas which Germany utilized (she did not originate them) in order to bring about the divisions by which she profited.

All the time that Germany was preparing her aggression, France, and to a lesser extent Britain, were deeply divided as to the location of the danger.

In both countries the political Right was insisting that the real danger lay, not in Berlin but in Moscow; while the Left was often cold to rearmament at home because the purpose of the rearmament, they said, was "imperialistic," whatever that might mean.

Many Leftist persons professed to see little danger in the political ambitions of Nazidom, but a great deal of danger in "capitalism" at home — and they adopted certain slogans as that "Capitalism is the Cause of War," and, apparently, came really to believe that if there were no "capitalism" there would be no war, and that the end to which youth particularly could best devote itself was the destruction of the "capitalist system."

Now, however sincere may have been the belief of those who professed these doctrines (and for the most part their adherents were entirely sincere and disinterested) they certainly served most admirably the Nazi purpose.

At a time when Germany was making the most stupendous effort at arming ever made by a nation in peacetime, her neighbors refused, for the most part, even to pay attention: some because they hoped the armament would be used for a purpose they could approve; and some because to have faced the facts and taken the appropriate measures, would have seemed to discredit the doctrines they professed.

But the doctrines of economic determinism and dialectic materialism so often invoked to explain war — and which seem to have captured so much of the younger generation of this century —did much more than deter or slacken rearmament. They set up, as we know, a sort of moral nihilism.

Moral principles as such did not exist or become unimportant. Ideas and ideals were derided since the behavior of men was, we were assured, little more than an automatic reaction to economic environment and class interest. Nothing, therefore, was particularly right, nothing particularly wrong. It was the age of de-bunking.

The younger generation seemed to become infected with what someone has called "the tough guy complex." And this at a time when the younger generation in Germany was being imbued with a passionate idealism, based upon the divine mission of their fatherland to conquer and rule the world.

The juxtaposition was sinister. In a conflict already casting its shadow before it one side was animated by flaming and passionate belief in its mission; and the other was cultivating a cynical disbelief, in anything. If Dr. Goebbels had planned it all out he could not have devised better.

Now the proper counterbalance to the evil force of false ideologies is not to have no ideology, but to develop a sound one.

To do that the first task is to de-bunk the de-bunkers, to show the fallacies inherent in these theories promulgated often with such intellectual arrogance about capitalism being the cause of war.

The de-bunking after all is not very difficult if certain rather obvious truths are faced.

Take, as throwing light upon the proposition that "capitalism is incompatible with peace," a certain simple illustration.

When the thirteen colonies that grew into the United States had won the war of independence, they had to settle the future form of their relationship to one another. Some wanted each colony to be a separate and independent state—which was the line actually taken at a later date by Spanish colonies in America who won their independence.

If that policy had prevailed north of the Mexican border, as later it actually did prevail south, and a number of separate nations had established themselves in what is now the United States, each with its own army and own navy, tariff walls, monetary systems, foreign offices, ambassadors (perhaps there would have been a French-speaking nation in Louisiana, a Spanish-speaking one in Texas or California) we can be pretty sure that those sovereign and independent nations would have fought each other at intervals, as the separate nations of South and Central America have fought each other, as Bolivia and Paraguay were fighting bitterly only a year or two ago.

Capitalism and Peace

But if in that circumstance the independent nation of Pennsylvania had gone to war with the independent nation of Ohio, in some quarrel about access to the Great Lakes, what would have been the cause of the war. Capitalism? But both states have capitalism now, and they do not go to war. What is the cause of the peace between them? The abolition of Capitalism? They have not abolished it.

Those two states maintain peace while Bolivia and Paraguay or Chile and Peru fight it out, not because the two north American states have introduced an economic change which the South American states have refused, but because the former have introduced a **political** element in their relationship—the element of federalism—which the latter have refused to do.

In other words, peace has been achieved by a political, not an economic change.

Peace between the thirteen colonies which were to become forty-eight states was ensured by a purely political device —the device of Federalism. It has worked, and it has given to America north of the Mexican border peace which America south of that border has not known.

Now, I have used that illustration with my socialist friends pretty frequently during the last 30 years. Is it, or is it not true, that a purely political device, which very nearly failed of adoption (it might have done if Alexander Hamilton had died during the struggle for it); which did fail again and again when tried in various cases in South America, has ensured peace between states which have adopted it? Has the "abolition of capitalism" been a condition precedent to that peace achieved in North America and only partially in South America?

To my socialist friends, who say that "Capitalism is incompatible with peace." I have repeatedly suggested that recent history has numberless cases to prove that states that had warred for centuries, like the states of Italy before the unification, the old states of Germany, have achieved peace between themselves by this political device without the abolition of capitalism, proving that capitalism **can** be made compatible with peace.

Only a Mumble

Is this the verdict of plain experience or isn't it? To that question I never get any answer from the Marxist that was not a mumble.

This does not mean either that we may not have to reform or even abolish "capitalism"; nor that "socialism" may not be entirely desirable achievement. That is an entirely separate question.

But if we are to think clearly about the problem of world order and what we are and are not fighting about, some of these confusions about the relationship of economic forces to world peace must be cleared up.

Nor does the illustration I have just given indicate that I think some very stiff and closely knit federation (like that of the United States Constitution) is the sole condition of peace. It is not. For "federation" may mean a score of different things: it may mean federation on the United States model; or on the much looser Swiss model, or on the Canadian model.

Some form of the word "Confederation" might indeed be used to describe the relationship of the Nations of the British Commonwealth.

It is true that so far as that Commonwealth considered as a unit is concerned, nothing has been federalized save one thing (and not even that in statutory form).

We have federalized, or confederalized, or placed under some form of political co-operation, the function of defense; not it is true by written constitution but by the thing which has worked so well in British institutions, a gentleman's understanding that things will run in that way; a gentleman's agreement which the possession of a common Crown has so enormously facilitated.

The vital thing is not the form of any particular political association, but whether it expresses in fact the principle that an attack on one is an attack on all; that violence against any member of the community (whether they be persons or states) shall be resisted by the whole. For on that principle all orderly society, indeed all organized society ultimately rests.

Which brings us to a further fallacy that has served the end of the Nazi tyranny.

"Not Our Quarrel"

One frequently hears it stated that "pacifism" did a great deal to undermine the resistance of the western democracies. If by "pacifism" is meant a disbelief in the use of force for any purpose, a conviction that an invader should not be resisted but allowed to enter the country and take over its government, then I do not believe that it played any considerable role. For those who hold clearly and firmly such a belief are exceedingly few in number.

But there were a very great number in every country—and they included, alas, very often members of the governments—who said: "We will fight, but only if our own country is attacked. But we will not fight for foreigners; will not mix in the quarrels of others."

And this attitude was regarded by perhaps the great majority as "realism and wisdom." And the Nazi knew that so long as the nations of Europe argued in that fashion they were at his mercy.

In fact this notion that it is right to fight for ourselves, wrong to fight for others, for principles of life which protect others, turns morality upside down.

Back in 1931 (when Japan began her aggression against China) some of us said to the public of Britain and France. "You've got to stop this by giving generous support to China, the victim of violence, or China won't be the last victim; the thing will spread." People generally were horrified. "We thought," they would say to me, "that you were a man of peace. Yet the measures you propose might involve us in war. Peace is our greatest interest, the greatest interest of the British Empire."

I said: "What would you do if Japan now, in 1931, were to attack Hong Kong?"

And the reply was, of course: "We should fight."

"Then," I pointed out, "you would go to war to ensure defense. Very rightly you don't put peace first. You put defense before peace. In that case the problem is to find means by which defense can be combined with peace. If you aid China now to resist Japan you may have war with Japan, though it is extremely doubtful. You certainly won't get bombs on London. If you don't do anything to stop this violence it will spread and when at last it comes near to you you will then resist, and you will get bombs on London. Resist now and prevent it."

But at that time one talked to the deaf.

People asked: "Do you then believe in force?" Which is like asking a man, "Do you believe in fire?"

Fire is a dreadful and consuming element which may reduce whole cities to ashes. It is also the foundation of our civilization because without fire we could have none. If force is used to make violence so difficult that it will not be attempted, and resort will be had instead to third party judgment or law, then force is an instrument of peace, however, paradoxical the statement may appear at first glance. The principle upon which we should act is to arm the law that nobody shall go to war; the law which at the beginning need be little more than that neither litigant shall impose his interested judgment upon the other by violence. Resistance to violence is the necessary condition of any law at all.

If the moralist had hammered out these clarifications, instead of proclaiming himself as against "war" (we are all against war though we are all for defense which may involve war if we bungle the method of defense), he would have done a greater service to his generation.

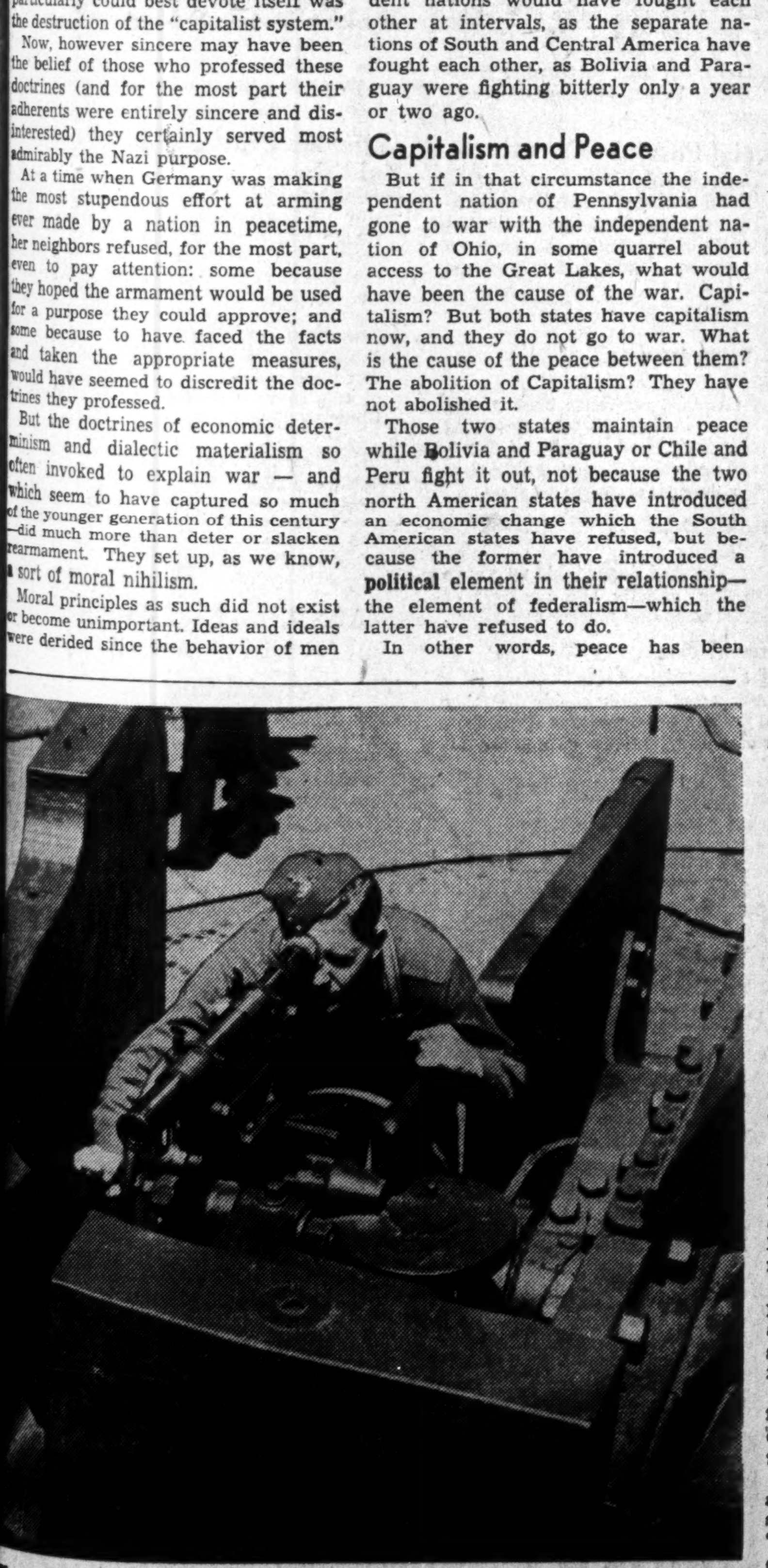
Armlessness No Safety

And one may note as a last word on this point that history, and very notably recent history, gives no warrant for that particular form of pacifism which says: "Men will behave decently if you do not threaten and frighten them; even savages will, as Penn proved in his treatment of the Indian."

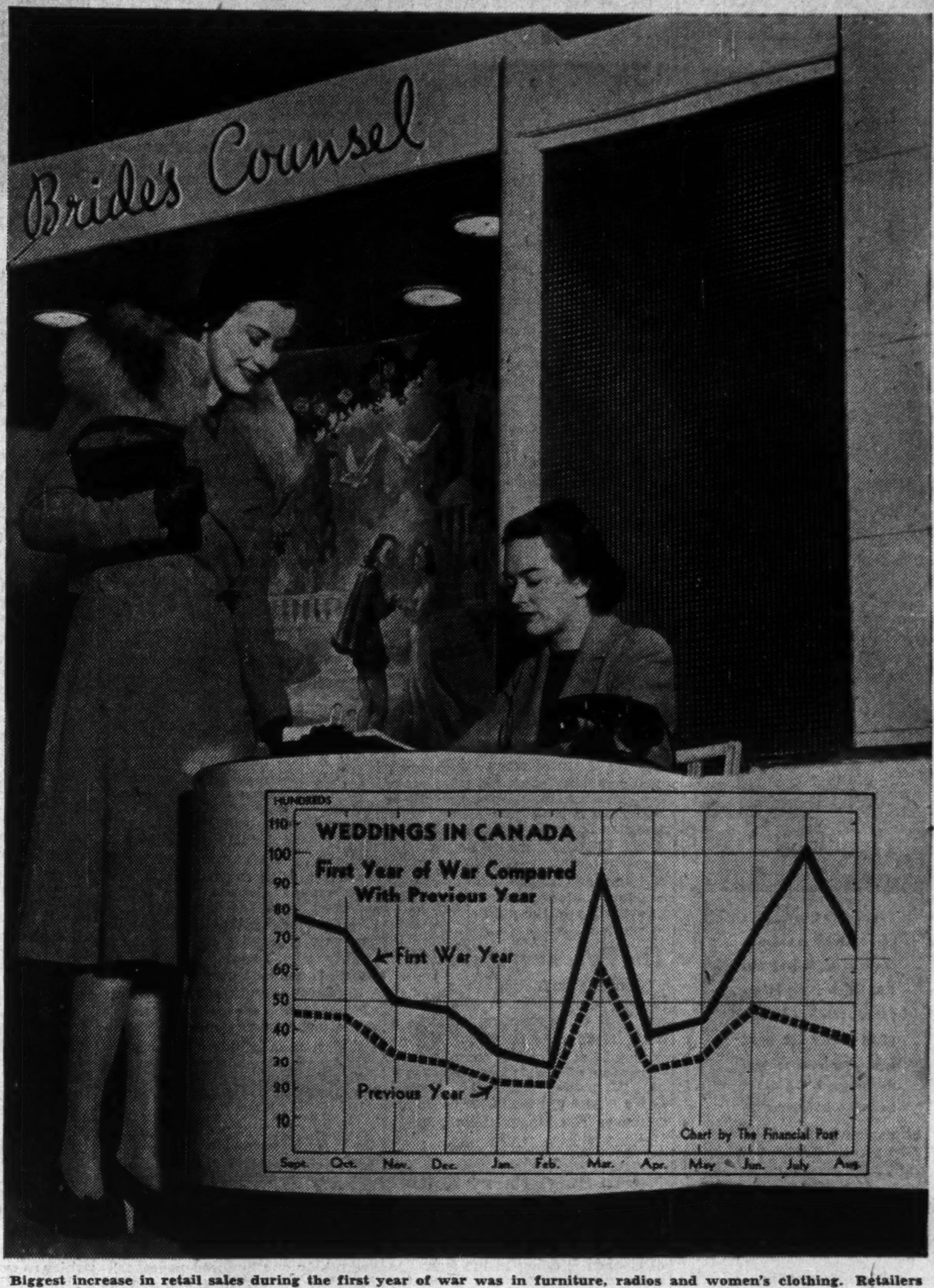
Well, that may have worked with the Indian; he did not massacre the white in Pennsylvania. But the whole point is that it has not worked with the white (at least in the United States, though Canada's record is infinitely better), since the Indian, though he can hardly be said to have threatened the supremacy of the white, has almost disappeared in the United States.

Nor has the harmlessness of the negro been a very adequate protection for all his rights. It was not fear of him which caused the slaver to catch him in the jungle and transport him to the new world. (Incidentally, Hawkins, who was a very religious man, had carved on the main mast of his slaving ship: "Love ye one another and bear each other's burdens"). Nor has armlessness of the Untouchable in India protected him from the indignities of his caste; nor the unarmed condition of the Jew protected him in the ever widening territories of the Nazi.

One has a feeling in considering the plight of these disadvantaged of the earth that justice would have had a better chance, if stiffer resistance to violence had been available to them.



The Nazis are fighting with ideas as well as bullets and bombs—Sir Norman explodes some of their fallacies.



Biggest increase in retail sales during the first year of war was in furniture, radios and women's clothing. Retailers report this due in no small part to the boom in wartime weddings. The bugle call of cupid was answered 75,000 times in Canada during the 12 months ended August 31.

Storekeeping in Wartime

By HAROLD HILLIARD
Staff Writer, The Financial Post

Your table bears — your back wears — goods from across the seven seas — Here are a few of your merchant's wartime headaches — Also a review of the profit position of Canada's merchandising companies in which there is a public interest

War has brought revolutionary changes for Canadian Merchandising companies.

Bombs falling on plants in Britain—German armies closing off continental supplies—submarines slowing up (very occasionally destroying) shipments —prior demands of the army for blankets and other goods—needs of the air force for what-have-you, as for example castor oil to lubricate airplane engines instead of ailing stomachs.

Sudden and numerous shifts in sources of supply—the complete loss of others. Changes in fashion and variety. The speeding up in the development of synthetic materials.

These and others have become the day-in-and-day-out problems of the retailers.

The added domestic burdens of increased taxes—unemployment insurance —military training of employees. All these on top of the problems created more directly by warfare have forced revolutionary changes of policy.

In spite of it all, sales have increased substantially: by about 10% in the first 12 months of the conflict, as compared with the same period of 1938-39, according to the Dominion Bureau of Statistics. The higher value of sales is due partially to increased prices, hence profits —ahead in most cases, too—are not up in the normal proportion.

The high tempo of industrial effort has increased the buying power of the nation. Direct benefits from war production are practically negligible.

The summer just ended saw two factors responsible for disappointing trade. The weather was bad, and such items as white shoes and beach wear glutted the market. Secondly, the expected stimulus of United States tourist demand did not materialize until the summer was well advanced.

On the other hand, barriers erected to slow the flow of Canadians to the U. S. helped domestic stores. This is true particularly in the case of such items as radios—$800,000 worth of which were bought by Canadians in the U. S. last year.

Biggest sales increases have been in the Maritimes. Next are the industrial provinces—Quebec first, Ontario second, then comes British Columbia and finally the Prairies.

Major growth in sales, as illustrated by the following table, has been in musical instruments and radios, business of which was up over 19% in the first 12 months of the war compared with the same period of 1938-39.

Second biggest increase has been in furniture, up over 17% in the first 12 months of the war, compared with the like 1938-39 period. Furniture stores report "war weddings" have helped their business.

The D.B.S. reports weddings in Canada in the first year of the war totalling 74,933—up 60% from the previous year.

Another factor. Washing machines and refrigerators are no longer regarded as luxuries, but rather as utilities. There seems to be no tendency to economize. There probably is some advance buying, too, with the thought taxes on such items may be subject to upward revision.

Men's clothing sales are up 10%.

(Continued on page 17)

War Costs Soar 2100% In Year

From Our Own Correspondent

OTTAWA.—With six months of the fiscal year gone—where do we stand?

To encompass the full sweep of Canada's war effort, the average citizen will have to stretch his mind. Figures of expenditure, of man power, of war equipment—without parallel in this country—are becoming the staple of Ottawa's announcements.

These announcements are issued in bewildering numbers and as a rule they are completley unco-ordinated. Fighting departments and spending departments are working night and day apparently without regard to each other's activities.

To illustrate: Each day the army, navy and air force draw more men from civilian life. At the same time huge contracts are being awarded by Munitions and Supply which means that the demand for industrial workers is shooting upward.

Ottawa Doesn't Know

Is our man power sufficient to meet all the demands being made upon it? Ottawa hopes to find out, but nothing worth mentioning has been done to date along this line.

But if, owing to lack of investigation, it is not possible as yet to measure the war effort in terms of man power, it is possible to assess it in terms of hard cash. The figures now available reveal a total war programme far beyond the wildest estimates of a few months ago. Obviously Hitler's blitzkrieg has made it impossible to estimate war effort except in terms of the ultimate. And no one at Ottawa pretends to know what this is.

Here is the picture in perspective. Between the outbreak of the war and March 31, 1940, the estimate of war expenditures was $100 millions. Actual expenditures were $118 millions, which was fairly close.

Last February, the estimate of war costs in the fiscal year April 1, 1940, to March 31, 1941, was $600 millions. On May 16, the estimate went up $100 millions. It advanced another $100 millions in the first week of June and by June 24, budget day, various estimates were given.

Now $940 Millions

Hon. J. L. Ralston then said: "Events are proceeding with lightning speed. Plans are having to be reshaped and extended almost daily, and no man can foretell what we will be called upon to provide in the next nine months." Provisionally, he boosted the estimate to between $850 and $900 millions. Then Hon. J. L. Ilsley, on Aug. 2, in the House of Commons, gave an estimate of $940 millions.

To indicate the rate of increase in war costs, here are the actual cash figures, month by month, since the war began:

1939	$
September	2,992,974
October	9,300,830
November	13,665,968
December	17,168,650
1940	
January	13,378,662
February	23,883,300
March	37,609,615
April	10,500,725
May	23,717,405
June	39,772,220
July	38,993,150
August	59,322,526
September	66,676,326

These figures show that in the first six months of this fiscal year actual expenditures have been $238,982,353. The outlay grew six times over as between April and September owing no doubt, to the vast speeding up of all phases of the war effort in answer to Hitler's challenge.

There are two schools of opinion at Ottawa. One believes that the $940 millions estimate was much too high: that the actual war expenditures this fiscal year will not exceed $700 millions. The other believes that Mr. Ilsley's estimate will be reached, and perhaps surpassed.

If so, war expenditures in the coming six months will have to exceed an average of $115 millions per month. Off hand, this might seem impossible. But if the war proves anything about Canada, it is that estimates have an uncanny way of being exceeded. Speaking at Timmins, Sept. 4, Mr. Ilsley said that he did not expect his estimate to be far out. Expenditures might be less or more. Again on Sept. 8, he said: "The cost of mechanized war is enormous. Our war expenditures are rising rapidly . . . In August our war expenditures reached about $60 millions . . . This month (September) the air force alone expects to spend $1 million per day. Orders for planes, for trucks, for guns, and all the thousands of other items of equipment are now being carried out and deliveries of many of them are now being made. The bills we have to meet each day are rapidly mounting."

Here's the Breakdown

The estimated cost of each of the services for the current fiscal year, as given to Parliment Aug. 2 was:

Army	$490,874,939
Air Force	218,292,638
Navy	123,400,000
To these must be added:	
Munitions and Supply	55,000,000
Others	52,000,000

The figure for munitions, of course, did not include purchases on account in Britain.

To date there has been no breakdown of the six months figures as between the

(Continued on page 15)

More Comments From Press of Canada On The Post's Story of War Effort

From newspapers all over Canada come words of high commendation for The Financial Post's special 96-page issue of Sept. 21, presenting the word picture of the nation's war effort under the title, "Canada's Industrial Front." Here are a few typical quotations about the issue from newspapers diverse in geography and point of view.

These are additional to a score of references already reprinted.

St. Croix Courier St. Stephen, N.B.

The Financial Post has just published an exceptionally fine edition picturing the war effort. Under the title of "Canada's Industrial Front," the special number devotes practically all of its 96 pages to an absorbing story, profusely illustrated, of the steps being taken in every kind of industry to fulfill the tremendous demands of the hour, and it is really a revelation to learn what enormous strides have been taken in this country in little over a year. The edition is well worth careful reading.

• • •

Victoria, B.C. Times

The Financial Post, in a 96-page edition devoted to "Canada's Industrial Front," gives the story of what the Dominion has accomplished to date in the production of war supplies—the most complete record yet attempted. The general public has no conception of the diversity of requirements to carry on Canada's war.

• • •

Free Press, Forest, Ont.

The Financial Post, Toronto, on Saturday, Sept. 21, edited a 96-page paper, depicting by word and picture Canada's part in the Great War. It is too bad every citizen of our country could not read this paper, there would be no doubt left as to the great part Canada is taking in this gigantic struggle for the freedom of mankind.

The work that is being done in the shops of this Dominion and the extent of the programme to be carried out is tremendous. Canada has been well named in this crisis, the arsenal of the Empire. One section of the paper is devoted to reviewing the vast new industrial role we are taking, giving interesting figures and costs in many cases.

The oil and gas, our natural resources are used for transport purposes and munition making. Canada's brass production is increased tenfold and the use of aluminum and magnesium is well told.

The work of the Air Training Plan, the ships of the Royal Canadian Navy and the unbelievable growth of these two defense lines are reviewed.

We cannot do justice to this edition of The Financial Post. But, we can and do congratulate them on producing such a fine, informative paper. We pay tribute too, to the advertisers in this edition, which add greatly to the accomplishment of The Post's September 21 issue.

• • •

Sackville Post, N.B.

The Financial Post, in its supplement, "Canada's Industrial Front," has given the story of what the Dominion has accomplished to date in the production of war supplies—the most complete record yet attempted. The manner in which peacetime plants have been transformed into munition factories and the extent to which Canadian industries are engaged in aircraft manufacture, shipbuilding and scores of other tremendous undertakings, will come as a revelation to the public.

• • •

The Forester, Huntsville

"Canada's Industrial Front" is a 96-page supplement to The Financial Post of September 21. It is a most informative issue, for anyone who wishes to have complete information of the increased activity on "Canada's Industrial Front." Extra copies are available on application to The Financial Post at 481 University Avenue, Toronto.

• • •

North Star, Parry Sound

The Financial Post in its supplement, "Canada's Industrial Front," gives a story of what the Dominion of Canada is doing in the war. The supplement of 64 pages gives the story of what Canada is and has accomplished in the production of war supplies. The reader secures a general idea of the great diversity of manufactures Canada is producing for the carrying on of the war. Aircraft manufacture, shipbuilding and scores of other undertakings of tremendous proportions are outlined.

• • •

Herald, Carleton Place

The Financial Post in its supplement, "Canada's Industrial Front," has given the story of what the Dominion has accomplished to date in the production of war supplies—the most complete record yet attempted. This issue is a contribution to national confidence in our war effort. "Canada's Industrial Front" supplement has expanded The Post into a 96-page paper, a very interesting and instructive number.

• • •

Woodstock Press, N.B.

In eighty pages devoted to the war-winning workshops of Canada The Financial Post recently tells how an industrial revolution is being worked in order that Canada's economic might may be made to tip the scale to victory.

It is an arresting story, worthy of the telling. We have told it, we believe, with complete fairness and accuracy. No pretense is made that Canada is already producing all the sinews of war that have been blueprinted by the managers of Canada's War Supply. Some of the biggest things in the programme are not due to be produced until the spring of 1941; a few items not until the early months of 1942. Yet, in those fields where production is already in full swing, Canada is making a contribution to challenge the imagination.

We could have been farther ahead. Most of what Canada is doing today is the result of the last three or four months of frantic speed-up in planning and directing.

Up to last spring Canada's industrial war effort was, like that of Great Britain and France, easy going and inadequate when compared with the realities of the demands that the outbreak of total war would impose upon the Allied nations.

That cannot be said today. Canadian industry is now organized for its share of the "all-out, national effort" that makes Canada the second strongest unit in the front line. (Who will deny that Britain, with her vast industrial areas and her mighty navy, remains yet the chief hope of recovery over Hitler?)

To those executives and workers of Canada who are making Canada's war effort a worthy one, The Financial Post pays tribute. They are indeed keeping the home fires burning with a devotion to duty that matches the loyalty of our fighting men.

• • •

News-Record, Fergus

We congratulate The Financial Post on a magnificent job of reporting Canada's war effort. It is the finest thing of its kind that we have seen and covers the subject thoroughly and at great length. There are nearly one hundred pages, telling almost everything that can be told at the present time. The text is claimed to be accurate—and there's no reason to doubt it—and the pictures are splendid. Sections of the paper are devoted to Canada's planes, ships, shells, mechanized equipment and the industrial effort generally. The fact that The Post got a large amount of advertising for this issue probably made it possible, and many of the advertisements are interesting in themselves. It so happens that we have visited some of the industrial plants now making these war materials, and have seen demonstrations of planes and mechanized equipment and we can find no flaw in the descriptive matter, but can appreciate the high quality of the photography.

But there's one rather humorous feature about this special edition, which we suppose the editors had hoped would pass unnoticed, The Financial Post has been trying for months to impress upon its readers that Canada's war effort wasn't what it should have been. Sometimes, we knew it wasn't too careful about the lengths to which it went. The special edition recently marks a complete about-turn. Just what it was that converted The Post so thoroughly may never be known, but after offering all this proof of Canada's war effort, The Post may have to discard many of its old arguments.

• • •

Barrie Examiner

September 21 issue of The Financial Post contained 96 pages, the largest ever published by this excellent journal, and one of the biggest yet produced by a Canadian newspaper. The special supplement of 80 pages, entitled "Canada's Industrial Front," very graphically and completely tells the story of our Dominion's economic-industrial war effort. It was an immense undertaking to gather and prepare for publication the immense amount of information which so comprehensively covers the subject. The Financial Post has done this big job with its customary thoroughness and accuracy and has made a vast amount of data and detail available to those who would be well informed upon the industrial and economic situation in Canada today.

• • •

Pilot Mound Sentinel

In a 96-page survey of "Canada's Industrial Front," The Financial Post, of Toronto, hurls the lie at scoffers or those harboring any doubts as to whether or not Canada's contribution to the Empire's war will be one of the deciding factors in ultimate crushing of the Totalitarian aggressors' power. The Post records in page after page of striking advertisements, pictures and articles, an amazing story of Canadian Industry in its all-embracing and highly important forms, slow to start, now geared to the swift tempo of high-speed production on a mighty scale. Here are ninety-six pages of dynamic "pep" to jar the veriest pessimist out of his doubting-seat!

• • •

Le Petit Journal, Montreal

With her intense participation in the war, Canada is now writing a very important chapter in her history. And we congratulate our contemporary, The Financial Post, which has published an 80-page supplement portraying the war effort of Canadian industry.

This special issue, with accuracy and great clarity, demonstrates the competence of the editors who devoted three months work to the number.

This useful supplement, entitled Canada's Industrial Front, describes in articles and pictures how industry, finance and natural resources of the Dominon are aiding in the war for liberty.

• • •

Moncton Transcript

The Financial Post, in its supplement, "Canada's Industrial Front," has given the story of what the Dominion has accomplished to date in the production of war supplies—the most complete record yet attempted.

• • •

Hanover Post

The Financial Post published an extremely interesting supplement, giving a detailed account of Canada's war effort to date.

• • •

Liverpool Advance

The Financial Post in its supplement, "Canada's Industrial Front," has given the story of what the Dominion has accomplished to date in the production of war supplies—the most complete record yet attempted.

• • •

Halifax Herald

Congratulations are due The Financial Post upon its publication of a mammoth 80-page supplement replete with illustrations and diagrams depicting the economic industrial war effort of Canada during the first year of the conflict.

The supplement, carrying the caption "Canada's Industrial Front," presents in text and picture a comprehensive review of how Canada's industry, finance and material resources have been mobilized and are aiding in the Empire's battle for freedom.

• • •

Acton, Ont., Free Press

The recent 96-page issue of The Financial Post, which portrayed in picture and story the part the industry of Canada is playing in the war effort, was indeed commendable. Canadians are contributing to winning the war in many ways and the least of these is certainly not the transformation that has taken place in industry in the past year.

• • •

Morning News, Dallas, Texas

The role being played by Canadian industry in defense of the British Empire is the subject of a special edition of 96 pages published Sept. 21 by The Financial Post of Toronto. Copies of the paper were received in Dallas Monday.

That the Dominion has become the Empire's arsenal was stressed in feature articles describing the manufacture of munitions, planes and other war supplies. Canadian shipping is transporting these supplies in increasing volume to the British Isles.

Conclusion reached after presentation of industrial Canada is that British victory is certain.

• • •

Bridgewater, N.S., Bulletin

We received a copy of the special edition of the Toronto Financial Post which they named "Canada's Industrial Front." It was the biggest edition of a newspaper we have ever lugged up hill from the post office. It comprised 96 pages which were filled with illustrations and information relative to Canada's great effort to support Great Britain in the tremendous task with which she is confronted.

The industrial revolution which today engages Canada's utmost endeavor is clearly portrayed in pictures and type, and includes such activities as may be found at our shores as well as within the centre of industry.

The Financial Post, realizing the mighty task now confronting our nation, undertook a similar task. In preparation three months before "Canada's Industrial Front" was published, the writers and staff and all who had a hand in the work have produced a wonderful amount of information worth preserving.

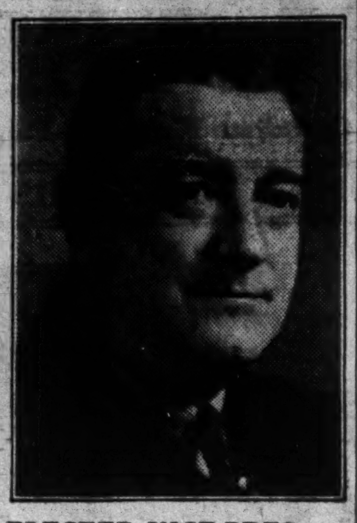
• • •

Enterprise-Bulletin, Collingwood

The Financial Post, a far and wide generally accepted authoritative publication on financial matters, had an 80-page special issue recently. It bore on its front page "Canada's Industrial Front" and its preparation, which was highly creditable, was fully in keeping with that idea. It set out the different activities of Canada in a fine way, such as will intensify the conviction that, after all, Canada is really playing a big part in helping Great Britain and the Empire to maintain freedom for all the world.

The issue overflows with information and gives a really clear picture of the meaning of the expression, "Canada's Industry Speeded Up." Munition and airplane factories, shipyards, also mills producing wools, clothing and other necessary war equipment are among the industries depicted as carrying on with speed and efficiency.

The issue shows clearly that Canada is in full realization of the seriousness of the situation and the importance of doing the utmost to hold secure the front line of defense and, when the time comes to have a 100% part in the offensive, which will end in victory for the freedom-loving peoples the world over. This issue is a library in itself of industrial Canada, and reflects great credit upon the publishers and the staff of the paper. In addition to the informing text there are many illustrations which add greatly to its interest and value. Altogether The Post, by this effort, shows that Canada is in no way an industrial slacker.



ELECTED VICE-PRES.

Lt.-Col. K. A. McLennan, who for 25 years has been manager of the Pacific Coast domestic and export sales department of Robin Hood Flour Mills Ltd., Vancouver, was elected a vice-president of the company and appointed to the newly created position of western general manager, effective immediately. Col. McLennan will make his headquarters at Moose Jaw, Sask., in the near future.

MUNICIPAL HONOR ROLL

Five Years of Progress by Local Government

PENTICTON, B.C.

Penticton is the twenty-second in a series of municipalities included in The Financial Post Municipal Honor Roll for 1940.

These municipalities are those which are considered to have shown stability over a period of years, or in the recent years have made outstanding progress in improving their financial standing. No attempt is being made to run these in sequence of merit or size.

Penticton, B.C., the distributing centre for a fruit growing district, has been blessed with a fairly stable economy. Its financial position, as a result, has remained sound, and today the town ranks among the strongest of B. C. municipalities.

Population growth has been slow but steady and present figure of about 6,500 is the largest since the town was established before the first Great War. The major portion of its financing was done immediately after the war, when local utilities were expanded and school accommodation was substantially enlarged.

Funded debt has been retired steadily, and during the five years ended 1939 the per capita figure dropped from $111 to $67. Except for schools, only small amounts of capital expenditures have been funded since shortly after the Great War.

The town followed a sound, conservative policy in relief costs, and except for $4,000 in 1932, all such expenses have been met out of current account. Relief was not a serious problem during the most difficult of years.

Indicative of the growing financial strength has been the steady decline in the tax rate. Figure of 48 mills in 1935 was reduced to 44 by 1939.

Statistical Picture

	1939	1938	1937	1936	1935
Population	6,500	6,000	5,500	5,300	5,000
Assessment (taxable; in $000's)	6,687	6,583	7,161	6,065	5,969
Assessment per capita	1,029	1,097	1,302	1,144	1,194
Mill rate (mills)	44	46	46	48	48
Tax collections:					
Current collections to curr. levy %	87.7	87.1	87.8	87.3	85.8
Current & arrears to curr. levy %	101.5	98.9	99.9	102.2	105.2
Gross debenture debt (in $000's)	1,091	1,125	1,108	1,098	1,088
Less: Sinking fund	653	684	624	579	531
Net debenture debt	438	441	484	519	557
Net deb. debt per capita $	67.32	73.48	88.04	97.99	111.49
Other liabilities	27,599	22,130	47,262	52,768	50,114
Relief expenditures funded	nil	nil	nil	nil	nil
Relief met out of curr. rev.	17,985	9,641	8,223	6,528	9,655

Last Debentures Sold

1939—$41,000 for water system; cost basis of 2%.

BACHELOR CIGARS

100% Havana Filler 10¢

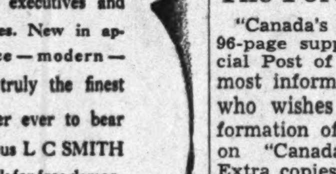
A Beauty

L C SMITH

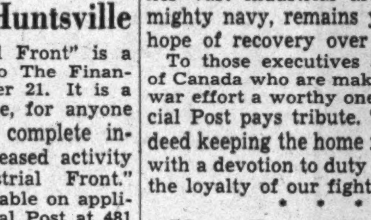
Tomorrow's typewriter is here today! It is welcome news to executives and secretaries. New in appearance — modern — smart — truly the finest typewriter ever to bear the famous L C SMITH name. Ask for free demonstration.

The new Super-speed

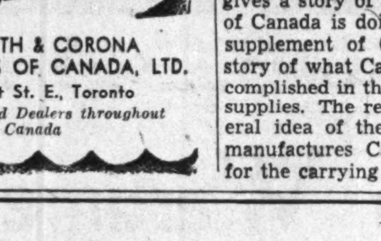
L C SMITH & CORONA TYPEWRITERS OF CANADA, LTD.
37 Front St. E., Toronto
Branches and Dealers throughout Canada



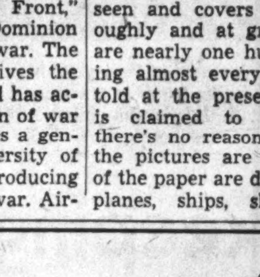
RESTAURANT EQUIPMENT—I.A.C. instalment plans—featuring convenient terms—and extra thorough credit investigation service, is valuable additional security on sales of made-to-order equipment.



SHOE MACHINERY—Sales of shoe machinery can be made more readily through I.A.C. Amortized Payment Plans which avoid large, immediate expenditures.



INDUSTRIAL MACHINERY — (of various types) I.A.C. instalment plans serve an economic need by helping firms instal new, specialized equipment without tieing up capital needed for increased production.



DAIRY EQUIPMENT—Through I.A.C., terms can be offered which are often no more than the increased earnings—or savings—which the installation of modern, efficient equipment makes possible.

Use practical I.A.C. Time Payment Plans to broaden Your Market

MANUFACTURERS and dealers who use I.A.C. Amortized Payment Plans have access to all the services and advantages of the largest all-Canadian company specializing in instalment financing.

Accurate, Extensive Credit Service—I.A.C. supplements the usual sources of credit information with specialized services, and accurate local opinion available through its coast to coast organization.

Friendly, Efficient Collection Service—I.A.C. assumes all detail and expense of long term collections. Coupling friendliness and judgment with experience and efficiency, I.A.C.'s collection technique guards and maintains goodwill.

Accurate Accounting Practices—The intricate bookkeeping necessary for extended time payment service is assumed by I.A.C. and handled with accuracy and efficiency—at no cost to you.

Why not discuss I.A.C. financing with a representative from our nearest branch?

Industrial Acceptance Corporation Limited

Halifax, Saint John, Fredericton, Quebec, Sherbrooke, Ottawa, Kingston, Peterborough, Toronto, Hamilton, Niagara Falls, London, Montreal, Chatham, Windsor, Sudbury, Timmins, Kirkland Lake, Rouyn, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver

Commercial and Industrial Financing — Capital and Surplus Over $5,000,000

Roster of Publications — and Services

GENERAL AND "CLASS" MAGAZINES

Maclean's Magazine
Established 1905
—Canada's National Magazine providing news articles, special features, fiction, and other material of national interest.

Chatelaine
Established 1928
—A magazine for Canadian women, featuring fiction, fashions, housekeeping, home planning, child training and articles on current affairs of special interest to Women.

Mayfair
Established 1927
—Giving a pictorial record of Society, fashion, sports, travel and the significant occasions in the life of important Canadian personalities.

Canadian Homes & Gardens
Established 1925
—Reflecting Canadian achievement in residence architecture, interior decoration, modern equipment, gardening and landscaping and related phases of better living.

●

BUSINESS-TRADE-MERCHANDISING NEWSPAPERS

Canadian Grocer
Established 1886
—Established over half a century ago as original nucleus of today's broad range of MacLean publications; is outstanding authority and recorder of one of Canada's basic industries—the grocery trade.

Hardware and Metal
Established 1888
—Founded close on the heels of Canadian Grocer as one of the earliest MacLean papers, has become an integral part of Canada's facilities for marketing hardware and allied products.

Drug Merchandising
Established 1919
—Up-to-the-minute reflector of the Canadian drug trade and drugstore operations.

Canadian Paint & Varnish Magazine
Established 1927
—Speaks with authority of and to the industry embracing paint makers, industrial users, distributors and master painters.

Sanitary Engineer
Established 1907
—An active factor in the achievement of the plumbing and steamfitting trade in making their installations progressively more modern, efficient and attractive, and thus adding to the convenience and comfort of Canadian homes.

Bookseller & Stationer
Established 1884
—Keeps a finger closely on the pulse of the book and stationery trade, and the selling value of stationery supplies, books and other publications.

Stylewear
Established 1887
—Covering the women's wear and dry goods trade

Men's Wear Merchandising
Established 1910
—Reporting and stimulating the field implied by its name.

General Merchant of Canada
—Catering to the needs and interests of general storekeepers throughout Canada.

Canadian Hotel Review & Restaurant
—Facilitating the circulation of current news and exchange of ideas in a growing business field that is increasingly important with growth of Canada's tourist trade.

Le Prix Courant
Established 1887
—Printed in French and concentrating its services on the wholesale and retail trade in the Province of Quebec, which it has served since 1887.

●

FINANCIAL-INDUSTRIAL-BUSINESS PUBLICATIONS

The Financial Post
Established 1907
—Primarily providing a crisp weekly digest of news and trends bearing on investment, and financing of Canadian productive enterprise. It functions basically as a truly "national" newspaper to give a broad perspective of developments in political, industrial, business, sociological, monetary, and economic fields.

The Financial Post Business Year Book
—(Annual) Provides business men, merchandisers, executives, and those in public life and educational circles, with a comprehensive digest of essential facts on a wide range of Canadian activity.

The Financial Post Survey of Corporate Securities
—(Annual) A standard reference book giving all interested in investment and financing authentic basic facts, on virtually all Canadian industrial and miscellaneous enterprises in which there is an investment interest.

The Financial Post Survey of Mines
—(Annual) A recognized dependable reference on the financing, activity and progress of more than 2,500 Canadian mining companies.

The Financial Post Survey of Canadian Oils
—(Annual) A compact, readily usable assembly of essential data on the numerous oil producing companies in Canada's expanding oil industry.

The Financial Post Directory of Directors
—Published periodically as an inclusive reference source of biographical facts and company affiliations of directors and officials of Canadian companies.

●

FOREIGN AND OUTSIDE PUBLICATIONS

One business publication
—Edited and issued in London, England, by The MacLean Co. of Great Britain, whose London Office also serves the British and European business interests of MacLean publications in Canada.

Four U. S. publications
—Also published by a separate subsidiary company and catering to special trades and industries.

Various magazines and other publications
—printed in the efficient main plant in Toronto for other publishers and outside organizations.

INDUSTRIAL-TECHNICAL PAPERS

Canadian Automotive Trade
Established 1920
—Serves an industry whose watchword is progress and where obsolescence is not tolerated. A stimulating force among automotive manufacturers, dealers and garages.

Bus and Truck Transport
Established 1925
—A vital part of the restless, constantly growing motor transport business—already a giant industry.

Canadian Machinery and Manufacturing News
Established 1905
—Has served for thirty-five years, and has grown up with the metal-working and engineering industries of Canada.

Modern Power & Engineering
Established 1907
—Has pointed the way to power plant modernization and efficient operation for over thirty years.

Canadian Printer and Publisher
Established 1891
—One of Canada's oldest trade papers. For nearly half a century has led and recorded progress in the graphic arts industries for the benefit of the printers and publishers of Canada.

Canadian Aviation
Established 1928
—The progressive spirit and thrilling romance of this so vital an industry is reflected in Canada's pioneer journal of aviation.

Canadian Advertising
Established 1928
—The advertisers and space buyers indispensable handbook of facts about Canadian media and markets.

●

AUXILIARY SERVICES AND ENTERPRISES

The Financial Post Corporation Service
—A continuously up-to-date card reference service giving complete basic facts on hundreds of Canadian corporations. The cards are periodically revised, and regularly supplemented by bulletins giving current news affecting each company.

Hardware and Metal Data Service
—Providing those in hardware and metal businesses with comprehensive market data and statistics.

Commercial Printing Division
—Placing the modern printing facilities of the company at the disposal of buyers of printing.

Canadian Press Clipping Service
—Expanded from a unit serving the needs of the company's publications into a thriving commercial service, providing customers with clippings on any designated subject from Canadian newspapers and other publications.

Trans-Canada News Co., Fidelity Subscription Agency and Home Book Service
—Special units serving both the Company and outside customers in distribution of periodicals, channeling of subscriptions, and marketing of books.

The MacLean Publishing Company
LIMITED

The MacLean Publishing Company, Limited

—"a good neighbor"

How a great Canadian publishing house has made its own success by helping other people to prosper

THE printed word can entertain. It can inform. It can inspire. But it can do more. It helps men and women to succeed. It is a creator of wealth.

The printed word helps Canadians to prosper, to live and work better, to share their country's progress. From their reading they get information that helps them to advance themselves; and thus to advance their country.

For over half a century the MacLean Publishing Company has supplied dividend-paying words and ideas to Canada.

Within the lifetime of its still active founder, the Company has become one of the largest producers of business newspapers and magazines in the British Empire. Its publications go regularly to over 700,000 buyers, which means more than two million readers, on a conservative basis of calculation.

The company's growth has been remarkable. But that growth is only a secondary measure of its success. The company's real achievements must be measured by its contribution to national progress and to the "adult education" of millions of Canadians.

On this ever-growing contribution to Canadian prosperity rests the Company's chief claim to rank among Canada's corporate good neighbors.

* * *

New Tasks in Wartime

Upon so important a group of publications as those of the MacLean Company there falls in wartime the task of giving a new focus to its editorial activities. Information that will help to lead and guide the nation in an effective war effort must be gathered and interpreted. In particular, the Company's business, trade and technical newspapers find an increased opportunity to serve by helping the nation to produce more and to waste less.

The part the Company is seeking to play in the present war was recently outlined by the President, Horace T. Hunter, at the annual meeting of the shareholders of the Company:

"The economic front, while less heroic and less sacrificial, is equally important with the military front in winning the war. Our publications can perform a great service through valuable information furnished to private business, and through helping the Government in the tremendous task that has suddenly been thrust upon it.

"We can assist both private business and governments chiefly in two ways:

"1. Publication of constructive suggestions on current problems and detailed information on successful operations by others.

"2. Exposure of wasteful, unsound and inefficient methods, thus giving an opportunity to correct them."

Innumerable examples could be quoted to show how the Company's publications serve the nation in wartime. Here is one typical one. The story begins in the great war of 1914-1918:

As soon as it was clear that Canadian manufacturers would be called upon to make munitions, Canadian Machinery (the MacLean paper serving engineering industries) began publication of technical data on the best methods of making shells, fuses, cartridge cases, guns, bombs, etc. Drawings and photographs by the hundred were made available to engineers to whom the making of munitions was entirely new.

Articles in Canadian Machinery were reproduced in other countries, and the Australian government reproduced many of them in the form of a text book.

It is a historical fact that by 1917 Canadian munition manufacturers were considered among the most efficient in all the allied countries. In achieving this, Canadian Machinery played an important part.

The vacant editorial chair; symbol of the news-minded editor who is out hunting facts. Those who gather and interpret facts for the MacLean publications travel many thousands of miles yearly at home and abroad.

Now Canada is again called upon to produce munitions on a vast scale. The machines and methods of twenty-five years ago are obsolete. New men, new machines, new methods require the telling of a new story. Canadian Machinery has for months been publishing data on today's methods. The importance of this work is recognized by both the Government, defense authorities, the censors and by manufacturers, all of whom have co-operated in making the fullest data available.

* * *

Putting Facts to Work

Facts are the most important raw materials the Company uses. Facts are tangible things. Well-interpreted information is a priceless commodity.

How do the MacLean papers use facts and ideas to aid Canada? By distributing them where they can be put to use.

Most progressive reforms come through the efforts of leaders in various communities or fields of activity. Subscribers to the MacLean newspapers and periodicals include business men and merchants, industrialists and distributors, technicians and executives, investors and intelligent workers. Also among the readers are farmers and educators, professional men and householders, women and homemakers—every one, in fact, with a vital stake in the country.

These people, and especially those engaged in industry, business or investment, have been helped to success and efficiency by the MacLean group of publications.

They are given news of better ways of doing things. One of the basic objectives of these publications has been to show readers how they can work more soundly and thus make more money for themselves and for their country. Better methods mean greater income; and greater income in most cases means more comforts, a finer enjoyment of what life offers, and greater material success. A few dollars extra a week for every one means greater achievement for the nation.

The company's achievement in this direction has been tersely summed up by an observation by the President of the Company:

"We have made our success by making other people prosperous."

In short, the Company has helped itself most by teaching others to help themselves, and thus to build better businesses, better homes, better communities and a greater nation.

The circulation of MacLean publications embraces not only business men and investors but also Canadian householders and the broad mass of readers of varied interests. Through general and "class" magazines, home-makers have learned how to bring greater comforts to their families, how to aid their husbands in improving their homes and mode of living, how to bring up healthy and intelligent children. They have been encouraged to take an enlightened interest, not only in the development of better homes and living, but in current affairs and public problems.

* * *

Examples of Service

We have given an example of how a business newspaper serves its community—how through its community it serves Canada.

Two examples may be quoted—from among many that could be mentioned—of the manner in which the MacLean publications render service to Canada through home-makers and general readers:

1. In 1930, Chatelaine magazine established the first housekeeping institute to be maintained by any Canadian magazine.
2. Long pioneers in public education in home building, remodelling and furnishing, the Company's magazines three years ago established an architectural department under the direction of a widely known architect.

Similar are the methods of all the publications of the MacLean Publishing Company. Each one meets the particular needs of the group for which it is edited. All possess national scope and national character. Thus do they reflect the aim of the Company to be of national service. Their success in pointing up the national progress is indicated by the fact that their authority is recognized not only in Canada, but by readers in 66 other countries the world over.

Here is something of which Canadians may be proud: Nowhere in the world does any group of publications under single control surpass in breadth of readership (proportionate to population) or in scope of fields and activities embraced, the publications and services of this Canadian enterprise.

Leaders in Opinion

Except for the directories and the general and "class" magazines of the company, the publications are always referred to as "business newspapers," not as magazines or journals. To be of most value such periodicals must be fresh and topical. They must appear regularly and frequently. They cannot become mere repositories of record. Readers demand such freshness. So do 3,500 advertisers to whom MacLean publications have become an essential merchandising channel.

All MacLean publications seek to be impartial in the circulation of news; in its interpretation; and in using it as a basis for editorial guidance.

The MacLean periodicals have always matched their special coverage of their fields with vigorous analysis of the activities of governmental bodies. They have sought to be a constructive force in eliminating waste and inefficiency in public affairs; in exposing imprudent, illicit and ill-advised projects; and in choking off unnecessary drains on public treasuries.

These publications have won many a victory for sound policies in government. Here are just three examples out of thousands that could be cited:

1. A powerful group endeavored to plunge a great Canadian province into the construction of a network of electric railways. It was at the very time when experts saw that electric railways had already begun to give way to good highways and buses. The Financial Post led the campaign against this folly. It brought facts from the world over to show the seriousness of the blunder that was about to be made. The scheme was abandoned. No one questions now that all the public's money invested in the scheme would have been wasted.

2. There was a time when the administration of one of Canada's chief public departments dealing chiefly with business men was infested with scandalous inefficiency — and worse. The trade newspapers of the Company exposed the facts. A Parliamentary committee of enquiry provided ample corroboration. The department was completely overhauled; it is now known as one of the most efficient in public service.

3. It was one of the Company's publications that paved the way, with public opinion, for the system of legislation that today protects investors from the grosser forms of exploitation by stock crooks.

Scores of times the Company's specialized publications have charted the road to better laws and saner enforcement of existing laws.

Thus do the MacLean Publications seek to foster as well as to record national progress.

* * *

The Company Itself

To fulfil their broad objectives, the publications and their allied services are grouped in four main divisions.

Including the 28 periodicals, five being business and trade papers published in the United States and British Isles, and the services and undertakings in fields auxiliary to the publishing business proper, there are some 40 enterprises functioning under the MacLean banner. The names and character of most of them are outlined on the adjoining page.

This vast and varied enterprise is entirely the product of individual Canadian initiative.

The Company's founder, Col. John Bayne Maclean, is today Chairman of the Board of Directors. His initiative, energy and foresight, his broad conception of the service obligations of publishing, have made possible the remarkable growth of the Company within his own lifetime.

He has trained men to carry on after him.

The President is Horace T. Hunter, who has spent 37 years in the Company's service. The Vice-president and Managing Director is H. Victor Tyrrell, with a record of 42 years of service.

The other directors of the Company are:

B. G. Newton, manager, technical newspapers division (28 years).

George D. Davis, manager, trade newspapers division (28 years).

Floyd S. Chalmers, editor and manager, The Financial Post (21 years).

H. Napier Moore, editor, Maclean's Magazine (14 years).

These directors and the shareholders hold responsible posts in the Company. They have a financial as well as a professional interest in maintaining the sound basic principles on which the business was founded. There are 46 senior members of the staff who hold substantial stock interests.

No. 22 in a series of studies in corporate citizenship appearing in The Financial Post through co-operation of leading Canadian business institutions.

Employment is given to some 950 persons. The total MacLean family—workers and dependents—number 4,000.

No stock issue has been floated either to financiers or the public.

* * *

Within recent years the Company has outgrown office and plant capacity six times. Today the headquarters and plant of the Company, facing on the University Avenue boulevard in Toronto provide 120,000 square feet of space. A nine-story extension was completed 11 years ago.

Growth has carried assets above the $4 millions level, including land, buildings, investments and accounts receivable. A favorable financial position has been achieved despite a profit margin considerably more modest than that shown by leading publishers in the United States and the British Isles. Reserves have been built up to withstand the effect of any unsettling factors; to see the Company through difficult times, if and when they should come.

The number of employees has increased steadily. Even in dark depression years the staff grew in numbers. Today regular direct employment is given to some 950 persons. About one-half are engaged in the plant, editorial rooms and offices at Toronto headquarters. The remainder work in the Montreal publication office and other auxiliary offices, or in subscription and advertising sales work on the road.

Employees are promoted to senior positions as vacancies develop. Rarely are men brought in from outside to fill senior posts. The Company prefers to train and promote men and women within the organization.

Big as is the staff there is little of mass production technique in MacLean operations. Most of the staff occupy positions requiring special knowledge or capacity.

The Company has persistently sought to widen the horizons of its men and women; to increase their knowledge and their ability to serve the public which reads over one million copies a month of MacLean publications. Senior staff members maintain contact with the key persons in the fields they cover. They are constantly travelling in Canada, the United States and other countries. They have gained direct insight into activities and trends throughout the world. In normal times there are not infrequently half a dozen MacLean executives crossing the continent or the oceans of the world, looking for news and ideas.

The total MacLean family — employees and dependents — is close to 4,000. Purchases of paper, ink, articles, artwork, etc., are sufficient to bring the total community dependent upon upon the company to the equivalent of 7,500 persons.

* * *

Welfare Policies

The Company seeks to advance the welfare of its family.

Group insurance was instituted 16 years ago. Plant employees are covered without cost to themselves and have the option of contributing to additional amounts. Other employees share the cost of their own policies.

The Company shares equally with employees in contributions to the sick benefit and mutual benefit funds.

Modern plant facilities and equipment, including adequate light, air and ventilating apparatus, are provided. The air-conditioning units to maintain uniform temperature and humidity throughout the year, were the first to be installed in any Canadian publishing plant.

Recreational activity such as softball, indoor bowling, lawn bowling, employees' picnics are supported. The bowling green on the lawn surrounded by the L-shaped MacLean Building in Toronto, is probably the most valuable property in Canada used for such a purpose. Land assessment on the corner it occupies runs close to $1,000 a foot.

An earnest effort is made to stabilize plant employment and to maintain wages at adequate levels.

* * *

A National Institution

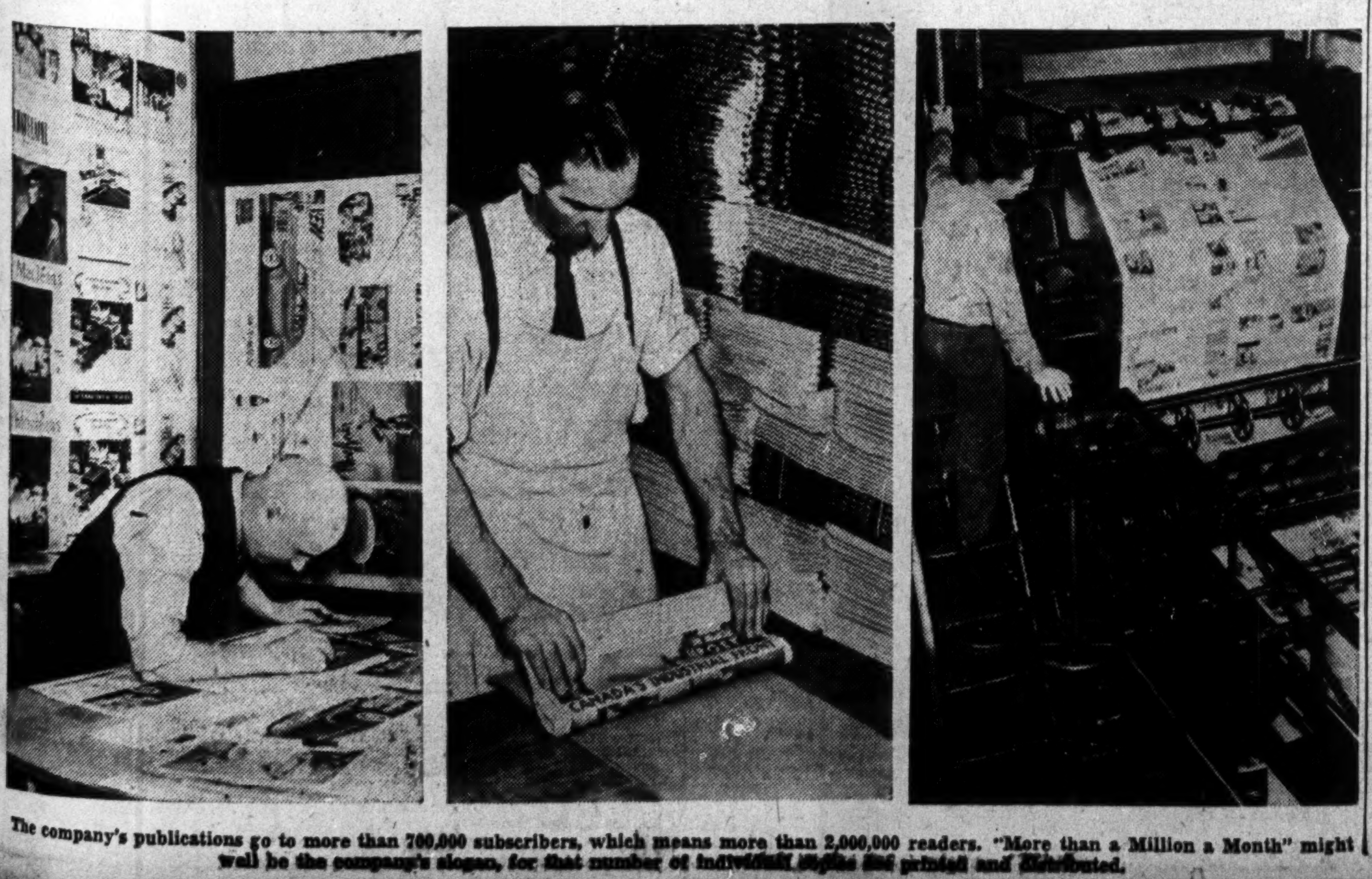
The MacLean Publishing Company seeks to be more than a business enterprise. It seeks to be even more than a correlated group of national magazines, newspapers and services; more than a busy, far-flung group of 950 executives, editors, accountants, printers and salesmen to which reference has been made.

It has become a living, growing part of Canada, pacing and stimulating progress as a vigorous force in nation-building.

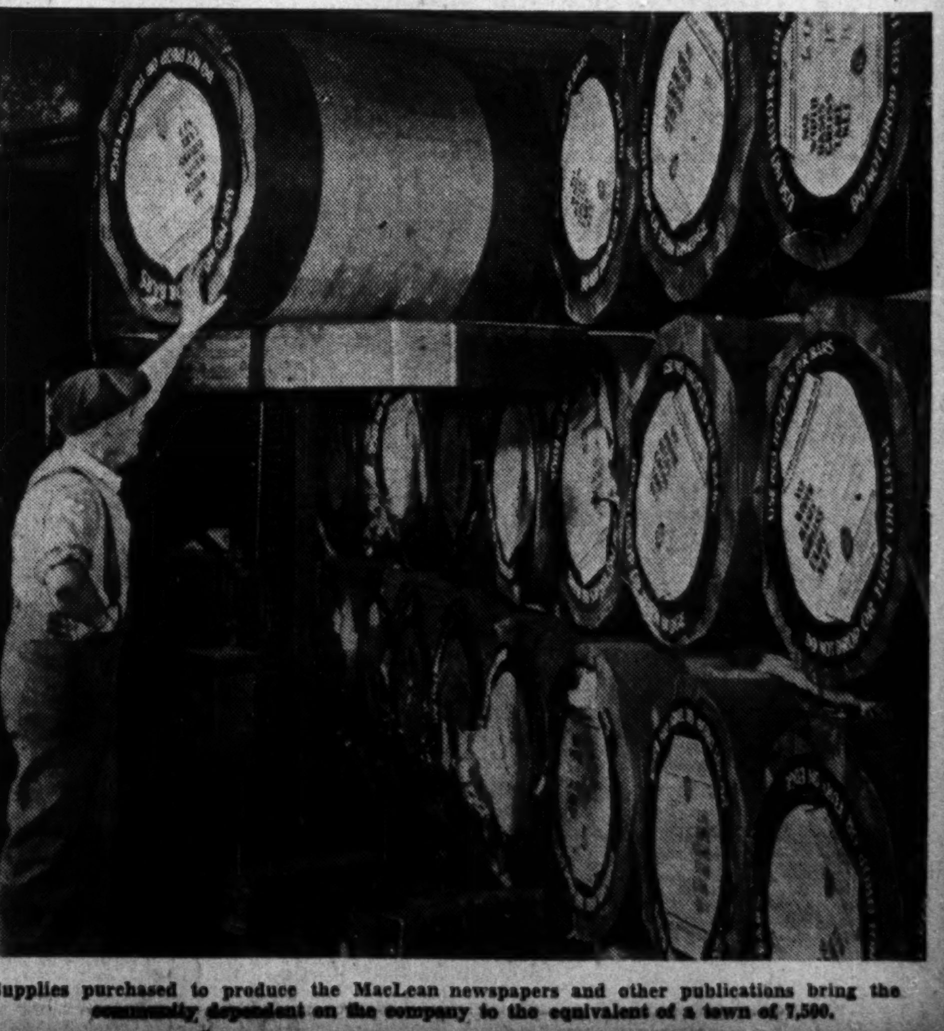
It is a good neighbor of the national community. It helps Canadians to learn and to prosper. It helps them to help themselves and their country.

If the MacLean Publishing Company has achieved success it is because it has helped others to succeed.

A roster of the Company's publications and services appears on page 12.



The company's publications go to more than 700,000 subscribers, which means more than 2,000,000 readers. "More than a Million a Month" might well be the company's slogan, for that number of individual copies are printed and distributed.



Supplies purchased to produce the MacLean newspapers and other publications bring the community dependent on the company to the equivalent of a town of 7,500.

Toronto and Montreal Exchange

THE WEEK'S QUOTATIONS

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING OCTOBER 14

A

Range 1940 High	Low	Div R'te $	Oct12 Y'ld %		Sales	Last Oct. 7	Week end. Oct. 14 H	L	Cl'se
2.50	.50	.	...	Abitibi	6100	.70	.70	.50	.50
27½	2¾	.	...	Do. pref. 6%	1755	5	4½	3½	3½
33	5½	.	...	Do. pref. 7%	....	(7 bid — asked)			
6	3	.	...	Acme Glove	....	(3 bid 5 asked)			
57	45	6.50	...	Do. pref.	....	(45 bid 50 asked)			
12½	9	80+20c	8	Agnew Surp.	....	(11 bid 12 asked)			
110	105	7	6.5	Do. pref.	....	(105 bid — asked)			
3.00	.75	.	...	Alta. Pac. Gr.	110	1.50	1.75	1.00	1.75
36	20	.	...	Do. pref.	40	28	29½	29½	29½
16¾	7	.	...	Algoma Steel	190	11	11	10¾	10¾
100	81	§2.50	..	Do. pref.	10	87	88	88	88
145	80	§4.50	..	Aluminum	185	120	120	115	115½
122	100½	6	5.8	Do. pref.	....	(100 bid — asked)			
8½	5	.	...	Amal. Electric	....	(4 bid — asked)			
43	34¾	60c	1.7	Amer. Cyn. B.	....	(34¾ July 16)			
49½	43½	2.75	6.2	Ang. Can. Tel p	....	(— bid 47 asked)			
26½	14½	60+60c	6.7	Asbestos	275	17	17¾	17½	17¾
19½	12½	1	6.3	Assoc. Brew.	....	(15¾ bid 17 asked)			
112½	109	7	6.4	Do. pref.	5	109½	109½	109½	109½
•2	2	.	...	Assoc T. & T.A.	....	(— bid — asked)			
•34	26	48c	...	Do. pref.	....	(— bid 34 asked)			
103	101	5.50	5.3	Ault & Wiborg	....	(98½ bid — asked)			

B

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
164	137	8	5.7	Bk. Can. Nat.	22	140	141	141	141
212	170	8	4.3	Bk. Montreal	73	190	188	185	185
315	269	12	4.3	Bk. N. Scotia	111	277	279	277	278
268	200	10	4.4	Bk. Toronto	10	225	226	225	226
•5	4½	.	...	Barcelona	....	(— bid — asked)			
6¾	2	.	...	Barker's Bread	....	(2½ bid 2¾ asked)			
28	19	2.50	13.1	Do. pref.	....	(20 bid 30 asked)			
15½	6½	§50c	..	Bathurst Pr.	726	12½	12½	12	12½
5	1¾	.	...	Do. (B)	80	3½	3½	2¾	2¾
1.75	.10	.	...	Bawlf Grain	100	.15	.10	.10	.10
45½	25	.	...	Do. pref.	30	45	42	41	41
5	3	.	...	Beath & Sons	....	(2½ bid 5 asked)			
5½	3	.	...	Beatty Bros.	20	3	4	4	4
102	90	6	6	Do. pref.	45	99½	99½	99½	99½
90	88	7	7.8	Do. 2nd pref.	....	(— bid 88 asked)			
6½	2½	.	...	Beauharnois	610	5¾	5¾	5½	5¾
97½	80	4	5	Belding Cort.	....	(80 bid 100 asked)			
150	130	7	5.4	Do. pref.	....	(117 bid 136 asked)			
169	130	8	5.1	Bell Telephone	199	155	156½	155	156
12	9½	60+15c	8	Biltmore Hats	....	(7½ bid 9¾ asked)			
9½	5	.	...	Blue Ribbon	10	7	7	7	7
42	34	2.50	6.7	Do. pref.	25	36	37	37	37
21	19	1.30	6.1	Brant. Cord. pf.	2	21	20	20	20
10¾	3¾	.	...	Brazilian Tr.	1478	5½	5½	4¾	4¾
5½	3	50+25c	..	Brew. & Distil.	560	5½	5	4½	4¾
6½	6	30c	5	Bright. T. G.	....	(6½ bid — asked)			
90	89	6	6.7	Do. pref.	....	(90 bid — asked)			
22¾	14¾	1	5.3	Brit. Amer. Oil	1228	19¾	19½	18½	18½
19¾	9	.	...	B. C. Packers	....	(12 bid 13 asked)			
30	23	2	6.9	B. C. Power A.	20	27	29	27	27
3½	1	.	...	Do. (B)	45	1½	1½	1½	1½
7	4½	.	...	Bruck S. Mills.	10	4½	5	5	5
17½	12	70+10c	5	Building Prod.	330	15¾	15¾	15	15
14	6½	60c	5.8	Burlington St'l	....	(9½ bid 11 asked)			

C

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
70	70	.	...	Calgary Power	....	(— bid 75 asked)			
101½	90	6	6.3	Do. Pref.	....	(98 bid — asked)			
5¾	1¾	.	...	Canada Bread	....	(2¾ bid 3 asked)			
105	90	5	5.2	Do. pref.	....	(96 bid — asked)			
58	35	2.50+37½c▲	6	Do. pf. B.	15	40½	45	40	45
6	3¾	40c	...	Canada Bud	....	(4½ bid 4¾ asked)			
8½	3	.	...	Canada Cement	313	6	6	5	5¾
100	75	5	5.2	Do. pref.	181	96	96½	94½	96½
106	102	5	4.8	Canada Cycle p	....	(104 bid 106 asked)			
35	24	1.50+25c	6	C. & D. Sugar	650	29	29	28¾	29
b22½	11¾	50c	...	Canada Dry	22	14	13¾	13½	13½
23	11	§1.12½	..	Can. Forg. (A)	....	(— bid 23½ asked)			
22	13	.	...	Do. (B)	....	(— bid — asked)			
40	30	3	10	Can. Iron	....	(25 bid — asked)			
75	65	6	8.6	Do. pref.	....	(65 bid 100 asked)			
4	1	.	...	Can. Mach'y	....	(3½ bid — asked)			
32	25	3.50	...	Do. pref.	....	(38 bid — asked)			
39½	29½	2	5.4	Can. Malting	170	37	37	37	37
18	10½	§1.13	..	Can. Nor. Pr.	5	10½	10½	10½	10½
111½	90	7	7.1	Do. pref.	38	98	98½	90	90
104¾	65	3+1	4.5	Can. Packers	45	88	89	88	89
.25	.25	.	...	Can. Paving, p.	....	(.25 bid 1.00 asked)			
150	117	8	6.1	Can. Perman.	12	131	135	131	131
6½	6½	§1	...	Can. Starch	....	(6½ bid — asked)			
110	109	7	6.4	Do. pref.	....	(108 bid — asked)			
8½	2	.	...	Can. Steamsh's.	211	4½	4½	3¾	3¾
21¾	9¾	§62½c	..	Do. pref.	85	16½	16	15½	15½
15½	5	§50c	..	Can. Vinegars	115	6¾	6½	6½	6½
65	40½	4	7	Can. W. Cable	....	(52 bid — asked)			
24	14	75c	4	Do. (B)	25	19	18½	18½	18½
106¾	105	6.50	6	Do. pref.	....	(103 bid — asked)			
3	1	.	...	Can. Bakeries	....	(— bid 1 asked)			
64	40½	§3	...	Do. pref.	....	(— bid 40 asked)			
178	132	8	5.2	Can. Bk. Com.	27	152	154	151	153
2.75	1.05	.	...	Can. Breweries	530	1.25	1.30	1.25	1.25
31¾	21¾	3	11.4	Do. pref.	225	27	26½	25½	25½
45	29	1.50+50c	5	Can. Bronze	85	38	37½	37½	37½
107	102	5	4.9	Do. pref.	....	(102 bid — asked)			
10¾	6	§37½c	..	Can. Canners	....	(7 bid 7½ asked)			
27	17	1+15c■	6	Do. 1st pfd.	20	19	18½	18	18½
14	7¾	60+15c■	7	Do. 2nd pfd.	45	10¾	10¾	10½	10½
16¾	5¾	.	...	Can. Car & F'y	467	8½	8¾	8	8¾
29	12¾	.	...	Do. pref.	1195	18½	18½	17¾	17¾
37¾	20	1+50c	4.8	Can. Celanese	985	31	31½	30½	31
128	104	7+1.16■	..	Do. pref.	70	127	125	125	125
22	20	1	4.5	Do. Rights	5	22	22	22	22
19½	14	1	...	Can. Convert.	5	15	15	15	15
120	95	4+2	6.3	Can. Cottons	....	(80 bid 99 asked)			
118	99½	6	5.8	Do. pref.	....	(101½ bid — asked)			
32	9½	1.50	10	Can. Dredge	130	16	15½	15	15
101	100	6	6	Can. Fairb. pf.	....	(100 May 17)			
14¾	5	1.40	...	Can. For. Inv.	130	10	10½	10½	10½
102	96	8	7.8	Do. pref.	....	(102 bid — asked)			
240	200	8	4	Can. Gen. Elec.	....	(185 bid — asked)			
9½	6	50c	7	Can. G. Inv.	....	(7½ bid 8 asked)			
3.62	1.65	†15	...	Can. Ind. Alc.	305	2.00	1.90	1.75	1.75
3.12	1.50	†15	...	Do. B	25	1.80	1.80	1.80	1.80
235	175	7	3.1	Can. Indust. B.	....	(— bid 225 asked)			
175	150	7	4.2	Do. pref.	....	(166 bid — asked)			
.30	.10	.	...	Can. Int. I. Tr.	....	(.10 bid .25 asked)			
45	25	2	8	Do. pref.	....	(35 bid 51 asked)			
18½	12	1	6.7	Can. Lt. & Pr.	....	(12 bid 18 asked)			
20	6	.	...	Can. Locomo.	10	9	8	8	8
1.40	.65	4c	...	Can. Marconi	250	1.10	1.00	1.00	1.00
21½	12	50+50c	6.2	Can. Oil	....	(14 bid — asked)			
123	109¾	8	6.9	Do. pref.	....	(115 bid 119 asked)			
8½	4	.	...	Can. Pacific	1221	5¾	5¾	5	5½
1.50	.25	.	...	C. Pr. & Pa. In.	100	.25	.50	.50	.50
5	2	.	...	Do. pref.	15	2½	2½	2½	2½
8½	2	.	...	Can. Vickers	50	3	3	3	3
33	7¾	.	...	Do. pref.	10	16	14	14	14
13½	9½	1	...	C. Wallpaper A.	....	(7 bid — asked)			
13	7	1	...	Do. (B)	15	7	8	8	8
52½	48	1.50	3.1	Can. West'ho'se	....	(41 bid 43 asked)			
5½	3¾	†25c	..	Can. Wineries	....	(— bid 5½ asked)			
22	13½	1.50	8.3	Can. Wire Box.	....	(17½ bid 20 asked)			
1.75	1.00	.	...	Capital Estates	....	1.00 bid 1.25 asked			
119	114	5	4.2	Carnation, pfd.	....	(117½ bid — asked)			
18	10	50c	5	Catelli Food	115	10½	10	10	10
14½	10	75c	7.2	Do. pref.	....	(10 bid 12 asked)			
37½	37½	1	...	Celanese of A c	....	(— bid — asked)			
2.25	1.50	.	...	Celtic Knit	....	1.60 bid 2.00 asked			
160	160	8	5	Cent. Can. L'n	....	(— bid 165 asked)			
102	100	4+1	5	Chart. Trust	....	(— bid 105 asked)			
.54	.10	.	...	Chem. Research	....	(.19 bid .25 asked)			
.20	.05	.	...	City Gas & El.	....	(.10 bid — asked)			
.15	.05	.	...	Claude Neon	....	(.05 bid .09 asked)			
1.42	1.00	12c	...	Coast Brew	200	1.35	1.31	1.31	1.31
9½	3¾	.	...	Cockshutt Plow	50	6½	5¾	5¾	5¾
3.50	1.55	10c	...	Comm. Alcohol	....	1.90 bid 2.00 asked			
6½	5	40c	...	Do. pref.	....	(6 bid — asked)			
4	3½	§40c	...	Conduits Nat.	....	(3¾ bid 5½ asked)			
19	12½	1+25c	8.6	Cons. Bakeries	....	(14½ bid 14¾ asked)			
.10	.05	.	...	Cons. Div. Sec.	....	(.01 bid .08 asked)			
11	6½	75c	...	Do. pref.	....	(7 bid 14 asked)			
8½	3	.	...	Cons. Paper	1798	4¾	4¾	4½	4½
10	3½	.	...	Cons. Press	....	(4½ bid 4¾ asked)			
75	55	1.25	...	Cons. Sand. pf.	....	(70 bid — asked)			
49	28½	1+1	5.1	Cons. Smelters.	639	40	40	38¾	39½
178	140	10	6.2	Consumers' Gas	40	160	160	160	160
68	40	§1.75	...	Corr. P. Box, p.	....	(— bid 52 asked)			
31½	19¾	1.20	4.6	Cosmos Imp.	80	26½	26	26	26
32	21	§1.30	..	Crown Cork	....	(25 bid 27½ asked)			
3	1½	.	...	Crown Dom. Oil	....	(1½ bid — asked)			
35	27	3	9.5	Crow's N. Coal.	....	(31 bid 35 asked)			
3.75	.70	.	...	Cub Aircraft	175	1.15	1.10	1.10	1.10

D, E

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
19	9¾	1+10c	9.7	David & Fre. A	....	(11 bid 12 asked)			
3¾	1	.	...	Do. (B)	....	(2 bid — asked)			
17	6½	.	...	de Havilland	....	(8 bid — asked)			
92	86	.	...	Do. pref.	....	(91 May 27)			
3¾	¾	.	...	Disher Steel	....	(1½ bid 1¾ asked)			
15½	10	.	...	Do. pref.	5	10	15½	15½	15½
27¾	18½	2.22	8.8	Distill-Seagram	245	24½	24½	23½	23½
97½	80	5	5.7	Do. pref.	40	88½	88	88	88
39½	39½	1	...	Dom. Ang. Inv.	....	(30 bid — asked)			
70	70	5	7.2	Do. pref.	....	(— bid 70 asked)			
210	150	10	5.3	Dom. Bank	1	187	185	185	185
40	22	1.20	4.2	Dom. Bridge	175	29½	28½	27½	27½
22½	16	1.50	7.5	Dom. Coal, pf.	65	20	20½	20	20½
44	20	.	...	Dom. Engineer.	....	(27 bid — asked)			
36½	19	1	4.2	Dom. Foundries	215	23½	24	23½	23½
110	103½	6	5.7	Do. pref.	....	(105 bid 109 asked)			
129	115	5	3.9	Dom. Glass	10	128	129	128	129
156	135	7	4.7	Do. pref.	5	147	148	148	148
35	29½	1.20+40	5.3	Dom. Oilcloth	....	(28 bid 30½ asked)			
1.50	1.00	.	...	Dom. Scot. Inv.	....	(— bid .95 asked)			
31	25	§1.75	...	Do. pref.	....	(— bid 26 asked)			
4½	1	.	...	Dom. Square	....	(1½ bid — asked)			
15½	6½	.	...	Dom. St. & C.B.	1836	9½	9½	8¾	9
5½	3	.	...	Dom. Stores	250	4½	4½	4½	4½
8½	3	.	...	Dom. Tar & Ch.	125	5¾	5½	5½	5½
90	75	5.50	6.2	Do. pref.	71	87	88	80	88
90½	70	5	5.9	Dom. Textile	70	85	85½	85	85
155	146	7	4.8	Do. pref.	....	(— bid 146 asked)			
3¾	1	.	...	Dom. Woollens.	10	2	1¾	1¾	1¾
9½	3	.	...	Do. pref.	100	6¾	6½	6¾	6½
10	3½	.	...	Donnacona P.A.	25	5¾	5½	5½	5½
9½	3	.	...	Do. (B)	90	5	4½	4½	4½
11¾	4	.	...	Dryden Paper	125	6	6	5¾	5¾
•1.00	.30	.	...	East Koot. Pr.	....	(— bid — asked)			
7	5	.	...	Do. pref.	....	(3 bid 10 asked)			
1.00	.10	.	...	East Dairies	....	(.35 bid 1.00 asked)			
8½	3	.	...	Do. pref.	....	(6 bid 7 asked)			
18½	8	1	7.7	East Steel	....	(13 bid 14 asked)			
100	97	7	7	East Theat. pf.	95	100	100	100	100
4½	3	.	...	Easy Washing	....	(3 bid 3½ asked)			
29½	19	1.75	...	Economic Inv.	80	22	22½	22	22½
12	7½	§85c	...	Electrolux	70	8¾	7½	7½	7½
5½	2	.	...	Enam. & Heat.	....	(3 bid 4 asked)			
34	21	2.50	11.9	English Electric	11	26	27	21	27
6	1½	.	...	Do. (B)	....	(3½ bid 10 asked)			
6	3½	15c	3.7	Equitable Life.	6	4	4	4	4

F, G

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
6½	2	.	...	Fairchild Air	110	3	3½	3	3
24	18	1	5	Fam. Players	35	18	20	20	20
30	20	1.50+25c	6.7	Fanny Farm.	375	26½	26¾	26	26¾
10½	3½	.	...	Fleet Aircraft	185	5½	5½	5½	5¾
1.50	.75	.	...	Fleury Bissell	....	(.25 bid .90 asked)			
27	20	.	...	Do. pref.	....	(19 bid 20 asked)			
22¾	13½	1	5.9	Ford Motor A.	542	17½	17½	16¾	17½
21½	14	1	5.9	Do. (B)	....	(17 bid 18 asked)			
.20	.05	.	...	For. Pr. Secs.	....	(.15 Apr. 25)			
15½	6	§50c	..	Foundation Co.	325	11½	11½	11½	11½
20	6	.	...	Fraser Cos.	5	10½	9½	9½	9½
21¾	7½	.	...	Do. Vot. Tr.	215	12	11½	11½	11½
.50	.50	.	...	Freiman	....	(.50 bid 1.00 asked)			
38	32	.	...	Do. pref.	....	(32 bid — asked)			
16½	9	80c	7.3	Gatineau Pwr.	145	11½	11½	11	11½
97	79	5	5.6	Do. pref.	95	90	91	89	90
105½	90	5.50	6.1	Do. 5½% pref.	....	(91½ bid 100 asked)			
6	1½	.	...	Do. Rights	10	1½	1½	1½	1½
10¾	4½	.	...	Gen. St. Wares.	150	6½	6¾	6½	6½
96½	77	7+57c■	..	Do. pref.	15	90	90	88	88
87	58	2.50+2.50	7	Goodyear T.	110	70	74	73	73
57½	51	2.50	4.6	Do. pref.	12	54	55	54	54
•50	50	§3	...	Gould Pumps p.	....	(— bid — asked)			
8	4	.	...	Gt. Lakes Pap.	....	(2½ bid 4 asked)			
29	18½	§75c	...	Do. pref.	....	(— bid 27 asked)			
8	2	.	...	Do. Vot. tr. c	....	(3 bid 4 asked)			
27½	13	§75c	...	Do. Vot. tr. p	....	(17¾ bid 20 asked)			
3½	1¾	.	...	Gt. W. Saddlery	....	(1¾ bid 2¾ asked)			
35	24	§3	...	Do. pref.	....	(30 bid 35 asked)			
14¾	11	60c	5	Greening Wire.	....	(12 bid 13½ asked)			
1.25	1.25	10c	...	Growers' Wine.	....	(— bid — asked)			
10½	4	†30c	...	Gurd, Chas.	5	4½	4½	4½	4½
107½	106½	7	6.5	Do. pref.	....	(— bid 108 asked)			
5½	2½	.	...	Gypsum, Lime.	52	4	4	3¾	3¾

H, I

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
21½	21½	1	4.7	Halifax Fire	....	(18 bid — asked)			
8½	2¾	.	...	Ham. Bridge	366	5	6	4¾	5
38½	34	2+75c▲	5.5	Ham. Cot., pf.	50	35	36	36	36
2.50	.50	.	...	Ham. U. Theat.	....	(.50 bid 1.75 asked)			
75	65	§4.25	...	Do. pref.	....	(50 bid 62 asked)			
4¾	2¾	20c+10c	.	Harding Carpet	....	(3½ bid 3¾ asked)			
.25	.25	.	...	Hillcrest Coll.	....	(— bid 1.00 asked)			
4	2	.	...	Do. pref.	....	(2½ bid 5 asked)			
16	7½	50c	4.5	Hinde & Dauch	175	11	11	11	11
•20	20	.	...	Holt Renfrew	....	(— bid 14 asked)			
40	20	.	...	Do. pref.	....	(20 bid — asked)			
25	15	1	...	Honey Dew	7	19	19	17	19
23½	11½	.	...	H. Smith Pap.	130	15½	15½	15	15
106	85	6	5.9	Do. pref.	....	(100 bid 102 asked)			
17	11	1	6.7	Humberstone S.	10	15	15	15	15
11	4	.	...	Hunts (A)	....	(4½ bid 5 asked)			
10¾	5	.	...	Do. (B)	....	(5 bid 6 asked)			
74½	54	4	6.4	Huron & E. Mt.	....	(— bid 68 asked)			
13	10	80c	...	Do. 20% pd.	....	(9½ bid 10 asked)			
2¾	2½	20c	8	Hydro Electric.	....	(2 bid 2½ asked)			
220	150	10	5.1	Imperial Bank.	8	197	197	195	195
15¾	8½	50+25c	6	Imperial Oil	2242	11¾	11½	11	11
16½	12	40+22½c	5	Imperial Tob.	740	14	14½	14	14½
8	6½	6%	4.2	Do. pref.	200	6¾	7½	6¾	7½
29	18½	2	10	Indust. Accept.	....	(19½ bid — asked)			
36	28¾	3	...	Inter-City Bak.	....	(— bid 33 asked)			
51	50	5	10	Inter'c Coal	....	(40 bid — asked)			
120	120	8	6.7	Do. pref.	....	(— bid — asked)			
23	14	1.50	9.4	Inter. Bronze	....	(15½ bid — asked)			
28½	19¾	1.50	6.1	Do. pref.	45	24¾	24½	24½	24½
.30	.30	3c	...	Int. Coal & C.	....	(.25 bid .40 asked)			
15½	5	.	...	Int. Metal Ind.	245	10	9½	9½	9½
114	90	6+12▲	5.7	Do. pref.	141	105	106	105	105
113½	85	6+12▲	6.1	Do. pref. A.	....	(85 bid 115 asked)			
116	111¾	5	4.4	Int. Mill., pf.	5	115	114	114	114
47	27½	2	5.4	Int. Nickel	1516	38¾	38¾	36¾	37
3½	1	.	...	Int. Paints	....	(1 bid 3 asked)			
18	11	1+25c▲	..	Do. pref.	....	(11½ bid 20 asked)			
23¾	12	.	...	Int. Pap. & P.	....	(— bid 16 asked)			
80	47	5	7	Do. pref.	....	(— bid — asked)			
24	12½	1.50	9.3	Int. Pete.	1380	16½	16½	15¾	16
6	2	.	...	Int. Power	....	(3 bid 4 asked)			
96	69	7	8.5	Do. pref.	31	79	82	82	82
•11¾	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3¾	.	...	Do. (B)	....	(— bid 4 asked)			
11½	4½	.	...	Int. Util. (A)	125	6	6½	6	6½
.65	.15	.	...	Do. (B)	....	(.20 bid .25 asked)			

J, K, L

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
14½	12	§51c	..	Jam. Pub. Ser.	....	(11 bid 13½ asked)			
135	129	7	...	Do. pref.	....	(— bid 130 asked)			
9½	5	1	...	Kelvinator	....	(8 bid 9½ asked)			
28	9	.	...	L. St. John Pr.	....	(12 bid 15 asked)			
2.65	.65	.	...	Lake Sulphite.	....	(.75 bid 2.00 asked)			
27	14	50c	...	Lake of Woods.	....	(— bid 18¾ asked)			
128	110	7	6.1	Do. pref.	....	(115 bid — asked)			
55	48¾	4	8.2	Landed Bank.	....	(41 bid 55 asked)			
17	10	70+30c	9	Lang, J. A.	....	(— bid 14½ asked)			
•3½	2	.	...	Langley's	....	(— bid 1 asked)			
27	13	.	...	Do. pref.	....	(13½ bid 17 asked)			
13½	9	80c	7.3	Laura Secord.	221	10¾	11½	11	11
9½	2	.	...	Legare, pref.	....	(6 bid 7 asked)			
3	3	.	...	Levy Bros.	....	(3 bid — asked)			
5½	2	.	...	Lindsay, C. W.	....	(2½ bid — asked)			
50	25	.	...	Do. pref.	110	44	50	50	50
28½	20	1+25c	4.7	Loblaw (A)	370	26¾	27	26½	26½
27	20	1+25c	4.8	Do. (B)	245	25¾	26	25½	25¾

M

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
.55	.10	.	...	Mackenzie Air	....	(.12 bid .35 asked)			
2½	2½	.	...	MacKin. Steel	....	(— bid — asked)			
59	59	.	...	Do. pref.	....	(55 bid 75 asked)			
22	9	.	...	Maclaren Pr. p.	45	16½	16½	16½	16½
10	6¾	.	...	M. L. Gardens.	....	(6 bid 10 asked)			
7	4	70c	...	Do. pref.	....	(6½ bid 6½ asked)			
5½	1¾	.	...	Maple Leaf M.	905	3½	3½	3	3
9½	3	.	...	Do. pref.	25	6	6	6	6
17½	15	70+10c	..	Maritime Tele.	....	(15½ bid 16 asked)			
17½	16	70c	4.4	Do. pref.	....	(— bid 17 asked)			
15	15	.	...	Marcus Loew's.	....	(12 bid — asked)			
•100	100	7+5.25▲		Do. pref.	....	(— bid — asked)			
6¾	2½	.	...	Massey-Harris	225	3½	3¾	3½	3½
59½	25	.	...	Do. pref.	75	34½	34	33½	33½
9½	5	.	...	McColl Fron.	160	5¾	6	5¾	5¾
101½	80	6	6.3	Do. pref.	25	97½	95	95	95
1.65	.75	.	...	Melchers	....	(.60 bid .75 asked)			
6¾	3½	.	...	Do. pref.	500	5	5	5	5
•1½	1½	.	...	Mercantile Tran	....	(1½ bid — asked)			
•5	5	§3%	...	Do. pref.	....	(4¾ bid — asked)			
12½	5	.	...	Mercury Mills.	50	7½	7	7	7
43	43	2	4.6	Mitchell, J. S.	....	(47 bid — asked)			
112	110	7	6.2	Do. pref.	....	(112 bid 115 asked)			
15½	5¾	.	...	Mitchell, Robt.	175	9¾	10	9	10
20	12½	80+40c	8	Mod. Contain.	....	(12 bid 17 asked)			
99½	93	5.50	5.7	Do. pref.	....	(96 bid 98 asked)			
6	2	.	...	Monarch Knit.	....	(2½ bid — asked)			
70	60	7	...	Do. pref.	....	(60 bid 80 asked)			
61	55	4	6.7	Montreal Cot.	....	(60 bid — asked)			
120	107	7	6.2	Do. pref.	....	(113 bid — asked)			
.25	.10	.	...	Mont. Is. Pr.	....	(.25 bid 1.00 asked)			
31¾	25	1.50	5.1	Mont. L. & Pr.	493	29½	29¾	29½	29½
50	46½	.	...	Do. Notes	12	49	49½	49	49
15	15	§1.31½	..	Montreal Loan	....	(15 bid — asked)			
.85	.50	.	...	Mtl. Refr. & S.	....	(— bid .50 asked)			
9	6	1.25	...	Do. pref.	....	(— bid .10 asked)			
45	38	3.20	8	Montreal Tele.	....	(— bid 40 asked)			
59½	39	6	12.5	Montreal Trams	26	47	48	47	48
48	34½	§1.70+60c	5	Moore Corp.	386	44¾	44½	44½	44½
189	144	7	3.9	Do. pref. (A)	....	(176 bid 189 asked)			
282	210	7	3.2	Do. pref. (B)	....	(262 bid 275 asked)			
.05	.05	.	...	Muirheads	....	(.05 bid .15 asked)			
1	1	.	...	Do. pref.	....	(— bid — asked)			

N, O

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
38	25	2	6.7	Nat. Breweries.	50	29½	30	29½	30
42	32	1.75	4.5	Do. pref.	25	38	38½	38	38
8½	4¾	.	...	Nat. Grocers	255	5	4¾	4¾	4¾
26½	22	1.50	6	Do. pref.	70	25½	25	25	25
10½	7	.	...	N. Sew. Pipe, A	....	(5 bid 8 asked)			
69	24	2	4.6	Nat. Steel Car.	195	45	44½	42¾	42¾
193	165	8	4.8	National Tr.	....	(160 bid 190 asked)			
9½	9½	60c	...	Neon Prod.	....	(— bid — asked)			
32½	20	2	7.7	Niag. W. Weav.	....	(24 bid 26 asked)			
6½	3	.	...	Noorduyn Av.	....	(— bid — asked)			
1.30	.60	.	...	North Star Oil.	....	(.80 bid .90 asked)			
4½	3½	35c	10	Do. pref.	....	(3½ bid 3¾ asked)			
93	85	6	7	N. S. L. & Pr.	....	(86½ bid — asked)			
107½	100	6	6	Do. pref.	....	(104½ bid — asked)			
33½	20	1	3.6	Ogilvie Flour	....	(— bid 28 asked)			
162	140	7	4.7	Do. pref.	....	(146 bid 158 asked)			
112	106	5	4.6	Ontario Loan	22	108	108	108	108
5½	4	.	...	Ont. Silknit	....	(— bid 5 asked)			
35	19	.	...	Do. pref.	....	(— bid 25 asked)			
5	3	.	...	Do. Script	....	(— bid 5 asked)			
12	5	75c	...	Ont. Steel	....	(8½ bid — asked)			
115	110	7	6.1	Do. pref.	....	(— bid 120 asked)			
4¾	2	.	...	Orange Crush.	....	(2 bid 3¾ asked)			
9½	5	70c	...	Do. pref.	....	(6 bid 7¾ asked)			
13¾	6¾	40c	4.1	Ott. Car Air.	....	(9¾ bid — asked)			
11¾	7½	1.20	10.2	Ottawa El. Rly.	25	11½	11¾	11¾	11¾
16	9¾	1	8.7	Ott. L. H. & Pr.	....	(11½ bid 11½ asked)			
103	90	5	5	Do. pref.	20	99½	100	99	100

P, Q, R

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
21	18	3c	...	Pacific Coyle	....	(20 bid — asked)			
111½	89½	5+50c	5.3	Page Hersey	60	102½	103	102	103
6	3¾	.	...	Pantepec Oil	....	(3¾ June 10)			
36	30	1.50	...	Paton Mfg.	....	(— bid — asked)			
115	115	7	6.1	Do. pref.	....	(105 bid 115 asked)			
72	46	3	5.6	Penmans	15	54	54	54	54
135	128½	6	4.7	Do. pref.	....	(— bid 125 asked)			
24	14	1+50c	..	Photo Eng.	....	(14 bid 17 asked)			
101	95	7	7.4	Porto Rico P. p	....	(96 bid 100 asked)			
11½	5¾	60c	7.5	Power Corp.	260	8½	8	8	8
106½	89	6	6.2	Do. pref.	....	(93 bid 98 asked)			
47	42½	3	6.8	Do. 2nd pref.	....	(— bid 42 asked)			
12½	6	§75c	..	Pressed Metals.	85	9½	9½	9	9½
24	9	.	...	Price Bros.	175	14	13½	13½	13½
80½	59½	5½+1.37½▲		Do. pref.	....	(70 bid — asked)			
7¾	4	40c	...	Prov. Transport	105	5½	5½	5½	5½
17½	13	1	6.5	Quebec Power.	....	(14¾ bid 16 asked)			
4¾	4	.	...	Que. Telephone	....	(4 bid — asked)			
30	24	2	8.3	Real Estate L'n.	....	(24 bid — asked)			
6	3	.	...	Regent Knit	25	5	4	4	4
17	10	§1.20	..	Do. pref.	....	(14 bid 18 asked)			
10	6	.	...	Reliance Grain.	....	(2 bid 4 asked)			
66	64	§4.87½	..	Do. pref.	....	(65 bid — asked)			
•10½	10½	80c	...	Remington R'd.	....	(— bid — asked)			
28	23	2	8.7	River S. Mill.	....	(23½ bid 24 asked)			
3½	1¾	.	...	Rogers Majest.	30	2½	2	2	2
19½	12	§75c	...	Rolland Pap.	....	(— bid — asked)			
19½	12	§75c	...	Do. Vot. Trust	25	13	13	13	13
102½	85	6	6.3	Do. pref.	....	(91 bid 95 asked)			
190	145½	8	5	Royal Bank	157	160	162	160	162
17½	15	80c	4.5	Russell Indust.	....	(14¾ bid 18 asked)			
190	135	7	4.1	Do. pref.	....	(165 bid 180 asked)			

S

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
109	99	5.50	5.1	Saguenay Pr. p.	30	108	108	108	108
36	30	1+50c	4.5	Sangamo	....	(— bid — asked)			
6	4¾	.	...	Sarnia Br. (A)	....	(5 bid 7 asked)			
2¾	1½	.	...	Do. (B)	....	(— bid 2 asked)			
24½	16	90c	5	Shawinigan Pr.	642	18½	18½	17¾	18½
15	7	.	...	Sher. Wms.	....	(10 bid 12 asked)			
126	113	7+5.25▲	6	Do. pref.	5	114	113	113	113
6¾	3	.	...	Silverwoods	....	(3 bid 4 asked)			
7¾	5	40+40c▲	..	Do. pref.	200	5½	5¾	5¾	5¾
9	5½	60c	...	Simon & Son	....	(5½ bid 6½ asked)			
105	100	7	7	Do. pref.	....	(100 bid — asked)			
21½	15	.	...	Simpson, A.	....	(10½ bid 15 asked)			
12½	3	.	...	Do. (B)	91	4½	5	4½	4½
105	79	6.50+1▲	6	Do. pref.	77	100¾	99	97¾	97¾
130	126	6	4.8	Simpson, R., pf.	....	(113 bid — asked)			
15	9½	80c	7.3	So. Can. Pr.	10	10½	11	11	11
112	92	6	5.9	Do. pref.	23	101	102	101½	102
5¾	2	.	...	St. Law. Corp.	315	3½	3½	3	3
21	10¾	80c	5	Do. (A)	585	16½	16½	15¾	16½
30	17	1+50	7.5	St. Law. Flour.	45	17	20	20	20
125	120	7	5.8	Do. pref.	....	(— bid 120 asked)			
52½	20	.	...	St. Law. Pap. p	480	40½	40½	40	40
14	7½	§1.25	..	Stand. Chem.	....	(12½ bid 14 asked)			
2	1	.	...	Stand. Clay	....	(— bid 2 asked)			
2.00	.25	.	...	St. Pav. & Mat.	500	.60	.60	.50	.60
6¾	3½	.	...	Do. pref.	....	(3½ bid 4½ asked)			
48	39	3	6.2	Stand. Steel, pf.	....	(38½ bid 48 asked)			
28½	20	60+60c	6	Stedman Bros.	30	24¾	20	20	20
86½	61½	1.75‡	4.9	Steel of Can.	255	76½	77	76½	76½
83	62	1.75	2.2	Do. pref.	140	78	78½	78	78
4	3	.	...	Sterling Coal	....	(3 bid 4 asked)			
.25	.25	.	...	Stop & Shop	....	(.25 bid .40 asked)			
12½	10	80c	8	Stuart, D.A. pf.	....	(— bid 14 asked)			
3½	2¾	.	...	Supersilk H.A.	....	(— bid 3 asked)			
4½	4	.	...	Do. (B)	....	(— bid 4¾ asked)			
82	72	5	6.9	Do. pref.	....	(— bid 80 asked)			
34	30	1+50c	5	Sup. Pete. ord.	100	30	30	30	30
•37½	35	1+50c	4	Do. com.	....	(32 bid — asked)			

T, U, V

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
12	8¾	80c	7.1	Tamblyn	....	(10½ bid 11½ asked)			
53	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
3	3	.	...	Thayers	....	(1½ bid 2½ asked)			
36	20	3.50	...	Do. pref.	....	(20 bid 25 asked)			
2.00	.20	.	...	Thrift Stores	....	1.00 bid 2.00 asked			
12	6	.	...	Do. pref.	....	(8 bid 11 asked)			
13½	9½	60c	6	Tip Top Tailors	25	10	10	10	10
110	100	7	...	Do. pref.	....	(104 bid 108 asked)			
3	2	.	...	Tooke Bros.	....	(½ bid 2 asked)			
12	5	.	...	Do. pref.	....	(8 bid — asked)			
32	16	1	4.5	Tor. Elevators	....	(21½ bid 22½ asked)			
49½	37	2.62½	6.1	Do. pref.	....	(43 bid 44 asked)			
90	70	4	4.7	Tor. Gen. Tr.	....	(— bid 85 asked)			
98	82	5	6.1	Toronto Mtge.	4	90½	82	82	82
160	145	7	4.8	Tuckett Tob. p.	....	(— bid 146 asked)			
2¾	2	.	...	Twin City	....	(1½ bid 2 asked)			
28	28	.	...	Do. pref.	....	(— bid — asked)			
17	12	80+20c	6.4	Union Gas	721	16	15¾	15½	15½
13½	12	§40c	6.2	Un. Amuse. A.	....	(13½ bid — asked)			
13½	12	§40c	..	Do. (B)	....	(13½ bid — asked)			
•1.05	.90	.	...	Un. Cigar-W.	....	(— bid — asked)			
.85	.60	.	...	United Distill.	....	(.70 bid — asked)			
42	30	3	7.9	United Fuel, pf.	101	37	38	38	38
10	3	.	...	Do. B. pref.	162	5½	6	6	6
5¾	2½	.	...	United Secs.	....	(3 bid 6 asked)			
6½	2¾	.	...	United Steel	350	4	3¾	3¾	3¾
4½	1½	.	...	Viau Bisc.	....	(3½ bid — asked)			
60	45	5	11.1	Do. pref.	....	(45 bid — asked)			

W, Y, Z

High	Low	Div	Y'ld		Sales	Last Oct. 7	H	L	Cl'se
37	22	2	6.7	Wabasso Cot.	....	(29½ bid 30 asked)			
43¾	29¾	4	9.8	Walker-Good.	2321	40¾	41	40	40½
20¾	16	1	5.1	Do. pref.	410	19¾	19¾	18¾	19½
1.25	.50	.	...	Walkerville Br.	115	.70	.70	.70	.70
135	120	7	5.2	W. Koot. Pr. pf.	....	(124 bid — asked)			
5	1½	.	...	West. C. Flour.	....	(1¾ bid 2 asked)			
47	21	.	...	Do. pref.	....	(28 bid 30 asked)			
62	40	3	6.6	West Grocers	....	(— bid 50 asked)			
112	103	7	6.7	Do. pref.	120	105	110	105	110
•11	10½	50c	...	W'minster Pap.	....	(— bid — asked)			
15	9½	80c	6.5	Weston Ltd.	165	12½	12¾	12	12
99	76	5	5.3	Do. pref.	35	90	94	93½	94
24½	16	1	5.3	Wilsils	....	(— bid 20 asked)			
2.63	.90	.	...	Winnipeg El. A.	....	(— bid 1.35 asked)			
2.37	1.00	.	...	Do. (B)	48	1.25	1.50	1.00	1.00
12	5	.	...	Do. pref.	60	7½	8	7	7
85	60	7	10	Wood, A. & J. p	....	(66 bid 90 asked)			
70	30	.	...	Woods Mfg., pf.	....	(35 bid — asked)			
11	5½	30c	...	York Knitting	....	(5½ bid 7 asked)			
•100	100	7	7	Do. 1st pref.	....	(— bid — asked)			
13	8½	.	...	Zellers	....	(9 bid 9½ asked)			
25	21	1.50	6.5	Do. pref.	....	(23 bid 24 asked)			

Quotations: • 1939. * 1938.
▲ On account of arrears.
b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1940. ■ Participating.
†Interim. §Paid or declared payable in 1940 to date.

Mining Stocks

Week Ending October 14.

Par	Range 1940 High	Low	Company	Sales	Close Oct. 7 (or last)	High for week	Low for week	Close Oct. 14
			A					
No	.38	.10	Aldermac	4,200	.16½	.15½	.14½	.14½
1	.06½	.01	Amm. Gold	500	.01½	.01½	.01½	.01½
No	3.00	1.30	Anglo-Huronian	650	2.00	2.00	1.85	2.00
No	.40	.30	Argus Interests	......	(.30 bid .50 asked)			
No	.03	.01	Arno	......	(.... bid .02½ asked)			
1	.17	.04	Arntfield	1,000	.05½	.05	.05	.05
1	.07	.02	Ashley	1,000	.03½	.03½	.03½	.03½
1	.05	.02	Astoria Quebec	6,000	.03	.05	.04	.05
1	2.68	.90	Aunor Gold	5,779	1.83	1.85	1.73	1.78
			B					
1	.10½	.02	Bagamac	1,000	.07	.08½	.08	.08
1	.28	.05	Bankfield	......	(.08 bid .09 asked)			
No	.33	.07	Base Metals	2,000	.10½	.10	.10	.10
1	.09½	.02½	Bear Exploration	1,000	.05½	.06	.06	.06
1	1.19	.70	Beattie Gold	225	.91	1.00	.92	.93
1	.13	.03½	Beaufor	......	(.07½ bid .08 asked)			
1	.52½	.05	Bidgood Kirk	19,300	.15½	.15½	.13	.13
1	.14	.03	Big Missouri	800	.04	.04½	.04½	.04½
1	.11½	.03½	Bobjo	12,400	.06	.07	.06½	.06½
1	.04¾	.02	Bouscadillac G.M.	......	(.02 bid .04 asked)			
No	11.25	7.25	Bralorne	210	10.25	10.37	10.25	10.25
1	.06	.01½	Brazil Gold	......	(.... bid .05 asked)			
1	.01¾	.01	Brett Trethewey	......	(.00½ bid .01 asked)			
1	.73	.28	Broulan Porc.	34,900	.70	.73	.66	.70½
1	8.70	2.75	Buffalo Ankerite	190	4.75	4.75	4.65	4.65
No	.04½	.01½	Buffalo Can.	100	.01½	.03½	.03½	.03½
5	23.50	10.00	Bulolo Gold	145	15.00	14.00	13.00	13.50
No	.03½	.01	Bunker Hill	......	(.01¾ bid .01¾ asked)			
			C					
No	.90	.30	Can. Malartic	3,207	.45	.50	.40	.50
1	.03½	.01	Capital Rouyn	......	(.... bid .01 asked)			
1	2.67	1.65	Cariboo Gold	1,800	2.10	2.20	2.15	2.15
1	.02½	.01	Cartier Malartic	......	(.01 bid .02½ asked)			
1	.75	.45	Castle Trethewey	2,500	.60	.60	.60	.60
1	.20	.06	Cen. Cadillac	......	(.07 bid .07½ asked)			
1	2.55	1.45	Cen. Patricia	575	1.95	1.92	1.91	1.92
1	.14	.03	Cen. Porcupine	600	.07	.06½	.06½	.06½
1	.21	.08	Century Mining	......	(.15 bid .17 asked)			
1	1.05	.41	Chesterville	11,450	1.01	1.03	.96	.97
No	.58	.15	Chromium	1,150	.17	.17	.16	.17
5	2.00	.50	Coast Copper	......	(.80 bid 1.50 asked)			
1	.78	.30	Cochenour Willans	7,700	.66	.67	.63	.66
5	1.65	1.25	Coniagas	......	(1.15 bid 1.50 asked)			
No	1.98	1.00	Coniaurum	700	1.35	1.37	1.32	1.37
5	49.00	28.50	Cons. Smelters	639	40.00	40.00	38.75	39.50
			D, E					
1	1.35	.50	Delnite	3,000	.68	.80	.75	.80
1	.08½	.03	Denison Nickel	6,000	.04	.04½	.03½	.04½
No	29.50	16.00	Dome Mines	614	23.50	23.50	22.75	22.75
1	.04½	.01½	Dorval Siscoe	......	(.01½ bid .02½ asked)			
1	.03¾	.00¾	Duparquet	......	(.00½ bid .01 asked)			
1	.01½	.02	Duquesne	1,000	.02	.04½	.04½	.04½
1	4.10	1.95	East Malartic	9,005	3.35	3.40	3.25	3.30
1	1.25	.20	Eldorado	1,400	.30	.34	.31	.34
			F, G					
No	5.05	1.70	Falconbridge	2,240	2.65	2.75	2.70	2.72
1	.06½	.01¾	Federal	6,900	.04	.04½	.03	.04
1	.07	.01	Fernland	......	(.01½ bid .03 asked)			
No	.70	.19	Francoeur Gold	2,100	.39½	.38	.38	.38
1	.10½	.03½	Gillies Lake	1,500	.04½	.04½	.04	.04
1	.02¾	.01	Glenora	......	(.01½ bid .01½ asked)			
No	.69	.25	God's Lake	4,400	.36	.36	.34	.35
1	.23	.08	Goldale	2,000	.15½	.15½	.15	.15
50c.	.26	.20	Gold Belt	......	(.20 Sept. 27)			
1	.26	.05	Gold Eagle	500	.06½	.07	.07	.07
1	.22	.07½	Golden Gate	51,700	.10½	.15	.10½	.12½
1	.01½	.00½	Goodfish	......	(.00½ bid .01 asked)			
1	.03½	.01	Graham Bosquet	2,000	.01½	.01½	.01½	.01½
No	.07	.02½	Grandora	......	(.04¾ bid .06½ asked)			
1	.04	.02	Grull Wihksne	......	(.01½ bid .04 asked)			
1	.64	.31	Gunnar Gold	1,450	.39	.40½	.39	.40½
			H, I, J					
1	.03½	.00½	Halcrow Swayze	......	(.00½ bid .01½ asked)			
1	.03½	.00½	Halliwell Gold	2,200	.00½	.01	.01	.01
1	8.00	4.50	Hallnor	125	5.00	5.50	5.50	5.50
1	1.48	.54	Hard Rock	5,110	.95	.93	.90	.90
1	.10	.03	Harker	2,000	.05	.04½	.04½	.04½
1	.57	.30	Hedley Mascot	......	(.38 bid .... asked)			
5	15.00	9.50	Hollinger	1,110	13.00	13.00	12.75	13.00
1	.40½	.20	Howey Gold	1,500	.26	.27½	.26	.26
No	34.00	19.50	Hudson Bay	445	26.00	26.00	24.87	25.50
1	.45	.15	Inspiration	800	.25	.29	.27	.28
1	•9.87	7.00	Inter. Mining	......	(.... bid .... asked)			
No	47.00	27.50	Int. Nickel	1,516	38.75	38.75	36.75	37.00
50c.	1.00	.65	Island Mountain	......	(.75 bid 1.02 asked)			
1	.05	.01	Jacola	1,000	.02	.02½	.02½	.02½
1	.30	.13	Jack Waite	16,000	.26½	.30	.25	.28½
1	.19	.01½	Jellicoe	8,028	.03	.04	.02½	.03
1	.04¾	.00½	J. M. Cons. Gold	......	(.01 bid .01½ asked)			
1	.08¾	.01½	Joliet Quebec	......	(.01½ bid .01½ asked)			
			K, L					
1	2.95	1.20	Kerr Addison	9,099	2.85	2.90	2.73	2.85
1	.45	.20	Kerr Lake	20	.30	.20	.20	.20
1	.07	.02	Kirk. Gold Rand	......	(.02 bid .05 asked)			
1	.32	.11	Kirk. Hud. Bay	......	(.13 bid .20 asked)			
1	1.54	.70	Kirkland Lake	3,200	.95	.94½	.92	.93
1	.18	.07	Kirk. Townsite	......	(.07½ bid .10 asked)			
1	32.00	15.25	Lake Shore	606	21.50	21.75	20.50	20.63
No	7.25	4.75	Lamaque Gold	325	5.25	5.15	5.00	5.00
1	.22½	.05	Lapa Cadillac	4,500	.06½	.06	.05½	.05½
1	.05½	.01	Lebel Oro	1,000	.01¾	.01¾	.01½	.01½
1	.88	.41	Leitch Gold	10,300	.50	.50	.47	.47
No	3.40	1.71	Little Long Lac	945	2.25	2.25	2.10	2.15
			M					
1	4.80	2.25	Macassa	3,835	3.60	3.60	3.40	3.40
1	2.59	1.00	MacLeod Cockshutt	4,225	2.55	2.50	2.43	2.50
1	.62	.20	Madsen Red Lake	11,645	.46	.46	.43	.44½
1	1.45	.54	Malartic Gold	15,450	1.15	1.13	1.04	1.07
No	.12	.03	Mandy	4,000	.06	.07	.07	.07
No	.01¾	.00½	Man. & Eastern	500	.01½	.00½	.00½	.00¾
1	.04½	.00½	Maralgo	......	(.01 bid .01½ asked)			
5	58.00	37.25	McIntyre	415	52.00	52.00	51.50	52.00
1	1.47	.85	McKenzie R.L.	6,300	1.06	1.09	1.01	1.08
1	.15½	.04	McVittie Graham	2,400	.06	.08	.07	.07
No	.58	.20	McWatters	1,500	.30	.32	.30	.30
5	.39	.39	Mentor Exploration	......	(.12 bid .40 asked)			
No	1.33	.40	Mining Corp.	400	.80	.75	.75	.75
1	.05	.05	Moffatt Hall	......	(.... bid .... asked)			
1	.93½	.36	Moneta	1,200	.58	.58	.55	.55
1	.08	.02	Morris Kirk.	7,500	.02¾	.03	.02¾	.02¾
1	.02¾	.01	Murphy	7,000	.01½	.01½	.01½	.01½
			N, O					
1	.37½	.12	Naybob	22,800	.26	.26	.23½	.24
No	.04½	.01	Newbec	500	.02½	.02	.02	.02
1	.09½	.05	New Golden Rose	......	(.... bid .07 asked)			
5	1.40	.75	Nipissing	300	1.00	1.05	1.05	1.05
No	78.75	42.75	Noranda	721	58.00	58.50	57.00	58.00
No	.62	.20	Nor Canada	......	(.55 bid .63 asked)			
1	.06½	.02	Norgold	1,000	.04	.03½	.03½	.03½
1	.62	.15	Normetals	1,000	.37	.30	.30	.30
1	9.85	7.25	Northern Empire	......	(6.50 bid 8.50 asked)			
1	1.82	.50	O'Brien	400	.91	.93	.90	.90
1	.34	.10	Omega	700	.18½	.18	.18	.18
1	.61	.17	Oro Plata	9,800	.31	.41	.32	.38
1	.10	.05½	Osisko	5,000	.06	.04	.03½	.03½
			P, Q, R					
No	2.35	.78	Pamour	2,142	1.28	1.28	1.20	1.25
1	.10¾	.02	Pandora	1,000	.06	.06	.05½	.05½
1	2.65	1.40	Pato Cons. G.	1,000	2.20	2.20	2.20	2.20
1	.10	.02	Partanen Mal.	......	(.03½ bid .04½ asked)			
1	.02	.00½	Pawnee Kirk.	......	(.00¾ bid .01 asked)			
1	.53	.20	Paymaster	3,200	.28½	.28	.26½	.26½
1	2.35	.90	Pend Oreille	800	1.80	1.70	1.62	1.66
1	2.12	1.01	Perron Gold	8,650	1.73	1.82	1.70	1.75
1	4.30	2.12	Pickle Crow	1,870	3.15	3.10	2.85	2.95
1	2.35	1.45	Pioneer Gold B.C.	750	2.10	2.10	2.05	2.09
1	14.50	9.00	Placer Devel.	10	9.00	10.00	10.00	10.00
1	2.18	.55	Powell Rouyn	2,000	1.04	1.02	.99	1.01
1	1.42	.68	Premier Gold	700	.95	.96	.95	.96
1	2.40	1.30	Preston E. Dome	10,400	2.05	2.05	1.97	2.03
No	.35	.20	Prospectors Air's.	......	(.15 bid .... asked)			
1	.42	.20	Quebec Gold	......	(.20 Sept. 24)			
No	.08	.01	Quemont	10	.02	.01	.01	.01
No	.08½	.01	Red Crest	500	.01	.02½	.02½	.02½
1	.57	.12	Reno Gold	1,000	.15	.15	.15	.15
1	.26	.20	Reeves McDonald	......	(.... bid .... asked)			
1	.00¾	.00½	Robb Montbray	500	.00¾	.00½	.00½	.00½
1	.06¾	.02½	Roche Long Lac	1,000	.04	.03½	.03½	.03½
			S, T, U, V, W, Y					
1	2.50	1.25	San Antonio	4,164	2.33	2.27	2.15	2.20
1	.15	.04½	Sand River	2,000	.06½	.06	.06	.06
1	.57	.10	Senator Rouyn	15,360	.33	.33	.30	.32
1	.05½	.01	Shawkey	2,600	.03	.03	.02½	.02½
50c.	1.24	.75	Sheep Creek	1,200	.98	.93	.91	.91
1	1.18	.50	Sherritt Gordon	8,546	.72	.78½	.70	.76
1	8.75	4.00	Sigma Mines	1,150	6.60	6.50	6.50	6.50
1	.95	.53	Siscoe	7,900	.57	.58	.54	.55½
1	.61	.20	Sladen Malartic	5,400	.49	.49	.46	.48
1	.07¾	.02½	Slave Lake	100	.05	.05	.05	.05
1	.21	.07½	St. Anthony	1,000	.10	.10	.10	.10
No	3.10	1.05	Steep Rock	2,860	1.50	1.50	1.45	1.46
No	.08½	.03	Straw Lake	14,500	.04½	.04	.04	.04
1	.21	.09	Sturgeon River	100	.14½	.13½	.13½	.13½
No	2.05	.80	Sudbury Basin	550	1.15	1.15	1.05	1.15
1	.08¾	.03½	Sudbury Contact	......	(.03½ bid .05 asked)			
1	1.02	.45	Sullivan Cons.	1,525	.68	.68	.60	.62
1	3.45	1.90	Sylvanite	1,010	2.45	2.50	2.40	2.50
1	4.15	2.40	Teck Hughes	4,210	3.25	3.20	3.05	3.10
1	.08½	.02½	Temiskaming	1,500	.04¾	.04¾	.04¾	.04¾
1	1.90	1.00	Toburn Gold	800	1.35	1.40	1.30	1.30
1	.35	.09	Towagmac	200	.12	.18	.16	.18
1	1.12	.25	Uchi Gold	3,400	.42	.42	.40	.40
	97.00	64.00	Do., Bonds	......	(85.00 bid 90.00 asked)			
1	1.26	.54	Upper Canada	57,860	1.08	1.26	1.05	1.25
No	4.35	1.75	Ventures	40	2.45	2.45	2.45	2.45
No	6.05	2.65	Waite Amulet	11,000	3.70	3.60	3.40	3.40
1	.16	.06	Wendigo	3,100	.11	.11	.11	.11
1	.03½	.01½	Wiltsey Coughlan	......	(.01 bid .02 asked)			
1	.32	.08	Wood Cadillac	7,000	.09½	.10	.09	.09
No	8.25	4.70	Wright-Hargreaves	1,348	6.25	6.25	6.15	6.20
No	.07	.04	Ymir Girl	......	(.04½ bid .06½ asked)			

Oil Stocks

Par	High	Low	Company	Sales	Close Oct. 7	High	Low	Close Oct. 14
No	.06	.02	Acme Gas & Oil	500	.05	.04½	.04½	.04½
1	.21	.05½	Alta. Pac. Cons.	......	(.... bid .15 asked)			
1	.22½	.10	Ajax	......	(.11 bid .... asked)			
No	1.03	.40	Anglo Canadian	1,900	.60	.56	.56	.56
No	.07	.06	Anaconda	......	(.03½ bid .05½ asked)			
No	.18	.06	Br. Dominion	......	(.07 May 20)			
No	.19½	.06½	Brown Oil	9,500	.12	.12½	.11	.11
92.50	50.75	65.00	Do., pref.	......	(.... bid 75.00 asked)			
No	2.39	1.00	Calgary & Ed.	1,450	1.62	1.62	1.50	1.53
1	.47	.18	Calmont	......	(.21 bid .24 asked)			
No	.33	.15	Commoil	......	(.22 bid .25 asked)			
No	.32	.10	Common Pete	300	.20	.21	.21	.21
No	.55	.15	Dalhousie	650	.28	.27	.23	.27
No	.35	.10½	Davies Pete	2,700	.13	.13	.12½	.12½
No	.08	.02	East Crest	1,000	.05	.05	.05	.05
No	.26	.15	Extension Oil	1,000	.17	.17½	.17	.17
No	.40	.27	Federated Pete	......	(.33 bid .45 asked)			
25c.	.09	.05½	Firestone Pete	2,000	.05½	.05½	.05½	.05½
No	1.05	.30	Foothills	1,000	.55	.52	.50	.50
25c.	.11	.06	Foundation Pete	......	(.06½ bid .... asked)			
No	.18	.17	Hargal	......	(.... bid .20 asked)			
No	.19½	.07	High Sarcee	......	(.09¾ bid .15 asked)			
No	3.10	1.30	Home	4,640	2.05	2.03	1.87	1.95
1	.07½	.01½	Homestead O. & G.	3,000	.03½	.03	.03	.03
No	.14½	.05	McD. Segur	500	.09	.08	.08	.08
1	.30	.16	Model	......	(.16 bid .... asked)			
25c.	.09	.04½	Monarch Royalties	......	(.... bid .07 asked)			
25c.	.21½	.04	National Petrol	......	(.... bid .04½ asked)			
1	.07½	.02	Nordon	1,500	.03	.04	.03½	.03½
No	.02¾	.01½	Oil Selections	......	(.01½ bid .03 asked)			
No	1.35	.60	Okalta	700	.90	.85	.85	.85
No	.07	.02½	Pacalta	1,500	.06	.06	.05½	.05½
1	.40	.20	Pacific Petrol	200	.32	.35	.35	.35
1	.35	.25	Petrol Oil & Gas	......	(.25 bid .... asked)			
25c.	.22	.11	Prairie Royalties	......	(.09 bid .11 asked)			
No	26.50	17.63	Royalite	707	24.00	24.00	21.00	21.00
No	.62½	.20	South West Pete	220	.20	.20	.20	.20
No	.07½	.01½	South End	1,500	.02½	.02½	.02	.02
5	2.25	.90	Texas Can.	70	1.20	1.30	1.15	1.15
No	.08½	.03	United Oils	......	(.03½ bid .... asked)			
1	.17½	.04	Vermilata	5,500	.05	.05	.04	.05
1	.60	.25	Vulcan	......	(.25 bid .... asked)			
No	.04	.01½	West Flank	......	(.01½ bid .03 asked)			

Vancouver Stocks

Par	High	Low	Company	Sales	Close Oct. 7	High	Low	Close Oct. 14
1	.14	.04	Big Missouri	2,200	.05	.05	.05	.05
No	11.25	7.55	Bralorne	411	10.15	10.50	10.00	10.10
1	.01½	.01½	Bridge River Cons.	......	(.... bid .01 asked)			
1	2.70	1.65	Cariboo Gold	725	2.20	2.25	2.10	2.10
No	.01½	.01	Dentonia	......	(.... bid .00½ asked)			
No	.02	.00½	Fairview Amal.	1,000	.00½	.01	.01	.01
1	.20	.10	George Copper	......	(.10 bid .... asked)			
1	.05	.02½	Golconda	......	(.03 bid .... asked)			
50c.	.28	.15	Gold Belt	......	(.21 bid .24 asked)			
50c.	.20	.08	Grandview	2,500	.16	.15½	.15½	.15½
1	.04½	.01½	Grull Wihksne	......	(.02½ bid .02¾ asked)			
1	.57	.30	Hedley Mascot	2,300	.48	.48	.46	.47
No	.00¾	.00½	Home Gold	......	(.... bid .00½ asked)			
1	.01	.00½	Indian Mines	......	(.01 bid .01½ asked)			
50c.	1.10	.63	Island Mountain	......	(.82 bid .84 asked)			
1	.38	.30	Inter'tl Coal	......	(.30 bid .... asked)			
50c.	.85	.25	Kootenay Belle	400	.30	.35	.32	.35
1	.25	.17	McGillivray Creek	......	(.20 bid .... asked)			
No	.05½	.01	Minto Mines	......	(.01 bid .01½ asked)			
50c.	.04¾	.01	Nicola	......	(.01 bid .... asked)			
1	.13	.07½	Pacific Nickel	1,000	.08	.07½	.07½	.07½
1	2.35	1.05	Pend Oreille	100	1.85	1.75	1.75	1.75
1	2.50	1.45	Pioneer Gold	400	2.02	2.05	2.05	2.05
50c.	.02½	.01½	Porter Idaho	......	(.01½ bid .02 asked)			
No	.01¾	.00¾	Premier Border	9,000	.01½	.01½	.01½	.01½
1	1.42	.72	Premier Gold	2,250	.96	.97	.95	.96
No	.94	.37	Privateer Mines	5,450	.50	.56	.50	.54
1	.03½	.01	Quatsino Copper	......	(.01½ bid .03 asked)			
1	.14½	.02½	Relief Arlington	6,500	.03	.02½	.02½	.02½
1	.30	.15	Reeves McDonald	......	(.20 bid .25 asked)			
1	.57	.09	Reno Gold	......	(.12 bid .15 asked)			
1	.06½	.04	Sally Mines	......	(.... bid .06 asked)			
50c.	.05½	.02	Salmon Gold	......	(.02 bid .04 asked)			
50c.	1.22	.75	Sheep Creek	2,800	.95	.95	.95	.95
1	1.31	.55	Silbak Premier	......	(.56 bid .75 asked)			
No	.02	.00½	Silvercrest	......	(.00½ Sept. 4)			
1	.05	.05	Sunloch	......	(.05 May 11)			
50c.	.11½	.05	Surf Inlet	......	(.08½ bid .... asked)			
No	.03	.02	Taylor Bridge	......	(.02 bid .... asked)			
20c.	.01½	.00½	Wellington	......	(.00½ bid .01 asked)			
50c.	.00¾	.00½	Wesko	......	(.... bid .00½ asked)			
1	.04	.01	Whitewater	16,000	.01½	.02	.02	.02
No	.07½	.04	Ymir Yankee Girl	......	(.04½ bid .05½ asked)			

Oil Quotations

Par	High	Low	Company	Sales	Close Oct. 7	High	Low	Close Oct. 14
1	.22	.08	Alta. Pac. Cons.	100	.11	.10	.10	.10
1	.00½	.00½	Amalgamated	......	(.00½ bid .00¾ asked)			
No	1.02	.45	Anglo Canadian	300	.62	.60	.56	.56
No	.07½	.03	Anaconda	......	(.03½ bid .05 asked)			
No	.18½	.06	Brown Oil	......	(.10 bid .... asked)			
No	.13	.05	Brit. Dominion	......	(.05 bid .... asked)			
No	2.33	1.00	Calgary & Ed.	400	1.65	1.65	1.50	1.52
1	.46	.18	Calmont	1,500	.24	.23	.21	.21
No	.32	.17	Commoil	......	(.23 bid .26 asked)			
1	.29	.16	Commonwealth	700	.21	.21	.21	.21
No	.50	.20	Dalhousie	300	.27	.30	.30	.30
No	.31	.13	Davies Pete	......	(.12 bid .... asked)			
No	.08	.02½	East Crest	500	.05	.04½	.04½	.04½
No	.26	.15	Extension	900	.17	.17	.17	.17
No	.40	.30	Federated Petrol	1,100	.35	.37	.36	.36
25c.	.08½	.05	Firestone	......	(.05 bid .05½ asked)			
No	1.05	.38	Foothills	......	(.52 Sept. 19)			
25c.	.10	.10	Foundation Pete	......	(.10 April 9)			
No	.12	.08½	Four Star	......	(.... bid .12 asked)			
No	.17	.09	High Sarcee	......	(.08 bid .12 asked)			
No	3.10	1.31	Home Oil	4,205	2.05	2.10	1.85	1.90
No	.03	.01½	Madison	......	(.01 bid .02 asked)			
No	.04½	.00¾	Marjon Oil	......	(.01½ bid .... asked)			
No	.15	.05½	McD. Segur Ex.	3,300	.09½	.09	.07½	.07½
No	.07½	.03	Mercury	......	(.... bid .05 asked)			
No	.07½	.04	Mill City Pete	......	(.04 bid .... asked)			
1	.31	.12	Model	......	(.... bid .19 asked)			
25c.	.08½	.04	Monarch Royal	......	(.... bid .05½ asked)			
25c.	.21	.05	National Pete	......	(.... bid .05 asked)			
1	.05	.04	Nordon	......	(.04 bid .... asked)			
No	1.31	.58	Okalta	200	.90	.90	.83	.83
No	.05½	.03	Pacalta Oil	1,000	.05	.05	.05	.05
1	.42	.19	Pacific Petroleum	7,182	.30	.30	.25	.25
25c.	.21½	.09	Prairie Royal	500	.09	.10	.10	.10
No	.10½	.06	Royal Crest	......	(.07 bid .... asked)			
No	36.00	15.00	Royalite	......	(20.00 bid .... asked)			
No	.19½	.09½	Royal Canadian	21,200	.10½	.10½	.09½	.09½
No	.07½	.03	South End	......	(.03½ May 16)			
No	.60	.21	Southwest Pete	......	(.25 Sept. 11)			
1	.06	.02	Spooner	2,000	.02	.05	.05	.05
25c.	.38	.15	Sunset Oil	......	(.15 Oct. 2)			
No	.09	.03½	United	1,000	.04½	.04½	.04½	.04½
No	.07	.03½	Vanalta	......	(.03½ bid .05 asked)			
1	.63	.23	Vulcan	......	(.26 bid .... asked)			
No	.05	.03	West Flank	......	(.05 May 11)			

* Quotations for 1939.

Winnipeg Stocks

(Transactions from Oct. 7 to Oct. 12)

	Sales	High for period	Low for period	Close Oct. 12
Canadian Fire	16	77.50	77.50	77.50
Canadian Investors	50	6.00	6.00	6.00
Flin Flon Gold	1,000	.01	.01	.01
Home Investment	12	14.00	14.00	14.00
United Grain	17	7.50	7.12	7.50
Western Steel	45	8.00	7.50	7.50
Wingold	6,100	.06	.05	.05½

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire	75	..
Beav. Lumber, c.	..	4
Do., pref.	99	102
Can. Airways	1	..
Can. Indemnity	120	..
Dom. Envelope p.	90	..
Federal Grain, p.	35½	..
Do., com.	..	1¼
Monarch Life	33	..
Nor. C. Mtge., p.	5	..
North. Trusts	..	7
Traders Bldg.	39	..
West. Grain p.	7	..
West. Brew.	1⅛	..
Wings	.15	..

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind & Mines	Vancouver Markets Ind & Mines
Oct. 15	6,200	6,000	173,000	......
Oct. 14	——Holiday——			
Oct. 12	1,200	1,500	——Holiday——	
Oct. 11	9,000	8,900	147,000	25,077
Oct. 10	4,600	3,800	98,000	27,685
Oct. 9	5,100	5,300	206,000	10,525

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Dominion of Canada Bonds Oct. 16, 1940

%	Due	Bid	Ask.	Approx. Yld.
1	Mar. '41	99½	100¼	.55
5	Nov. '41	103¾	104¼	1.05
1½	May '42	100¼	100¾	112.
2	June '42	100¾	101¼	1.16
3	Oct. '42	102½	103¼	1.35
2½	June '43	102	102½	1.52
5	Oct. '43	108½	109¼	1.82
2	June '44	100¾	101¼	1.69
a2½	Jan. '44	91¾	93¼‡	4.50
4½	Oct. '44	108¾	109¼	2.05
2½	Nov. '44	101¾	102¼	1.86
a2½	Aug. '45	90¾	91½‡	4.41
4	Oct. '45	105½	106	b1.93
4½	Feb. '46	109½	110¼	2.44
3½	June '49	101¾	102½	b2.77
3¾	Oct. '49	102¼	103	b2.70
3½	Nov. '51	100	100¾	b3.14
3½	Feb. '52	100¼	101	b3.10
a5	May '52	97¾	98¾‡	5.03
4	Oct. '52	104¾	105¼	b3.12
3	June '55	97¾	98¼	3.13
4½	Nov. '56	107	107¾	b3.09
4½	Nov. '57	107¼	108	b3.23
3	June '58	96½	97¼	3.18
4½	Nov. '58	108¼	109	b3.24
4½	Nov. '59	109	109¾	b3.26
a4	Oct. '60	90¼	91½‡	4.64
a3½	Jan. '61	81¼	83¼‡	4.47
3½	June '66	99¼	100	3.25
a3e	Jan. '67	78¾	80¼‡	4.25
a3e	Nov. '68	78¾	80¼‡	4.21
†3	Perpet'l.	88¾	89¼	3.35
Dominion Guarant'd Bonds				
Can. Nat'l. Railway:				
2	Feb. '43	100¼	101¼	1.45
2½	Jan. '46	99¼	100¼	2.20
3	May '44	103¼	104	1.83
3	Dec. '50	97¾	98¾	3.14
3	Feb. '53	97	98	3.20
3	Jan. '59	95¾	96¾	3.23
*4½	Sept. '51	111¾	112¾	3.12
*4½	Feb. '56	112¾	113¾	3.36

%	Due	Bid	Ask.	Approx. Yld.
4½	July '37	113	114	3.47
*4½	June '55	114¾	115¾	3.40
5	Feb. '54	115	116	3.50
*5	July '69	112	113	b2.61
*5	Oct. '69	116	117	b3.30
*5	Feb. '70	115¾	116¾	b3.34
Grand Trunk Pacific Rly.:				
3	Jan. '62	98	99	3.06
Provincial Gov't. Bonds				
New Brunswick:				
3	Oct. '51	84	86	4.64
3½	Aug. '49	87	89	4.78
3½	June '56	85½	87½	4.61
c4	Nov. '47	95	97	4.50
c4½	Apr. '61	97	99	4.57
c5	Jan. '60	101	103	4.76
Nova Scotia:				
3	Jan. '52	91	93	3.75
3½	June '56	91	92½	3.88
3½	Nov. '50	97	99	3.62
c4½	Sept. '52	104½	106½	b3.45
c4½	Nov. '60	105	107	4.00
c5	Mar. '60	110	113	4.03
Ontario:				
2½	May '45	99¼	100¼	2.44
3	Apr. '48	97¾	98¾	3.19
3	Nov. '50	97	98	3.24
3½	Nov. '51	98¾	99¾	3.27
3½	May '55	97¾	98¾	3.36
*4	June '62	104½	106½	3.57
4½	June '50	108½	109½	3.34
*4½	Jan. '62	111½	113½	3.59
5	Oct. '48	111	112	3.30
*5	Dec. '60	117	119	3.67
5½	July '46	111	112	3.20
Ont. Hydro Commission:				
3	Aug. '48	97¾	98¾	3.18
3½	Fb. '53	98½	99½	3.32
3½	Apr. '47	101	102½	3.07
Prince Edward Island:				
3	Oct. '45	94½	96	3.87
Quebec:				
3	Nov. '47	94	95	3.78
3½	Mar. '48	94¾	95¾	3.92

%	Due	Bid	Ask.	Approx. Yld.
3½	Mar. '54	91	92	4.02
3½	Mar. '59	91½	93	4.04
4	Mar. '52	98	100	4.00
4½	Aug. '58	100	102	4.09
4½	Jan. '63	103	105	4.16
Alberta:				
4	Dec. '54	53	57	d
4½	Oct. '51	60	..	d
c4½	Oct. '56	55	59	d
*5	Oct. '59	56½	60½	d
c5½	Apr. '52	62½	66½	d
6	Mar. '47	64½	68½	d
British Columbia:				
c4	Dec. '57	97½	101½	3.88
*4½	Jan. '51	100	104	4.03
c4½	Oct. '53	100	104	4.10
c5	Apr. '54	103½	107½	4.28
5½	Feb. '45	101	105	4.24
6	Feb. '47	103½	107½	4.63
Manitoba:				
c4	Dc. '57	88	92	4.87
c4½	Dec. '56	90½	94½	4.99
*5	Dec. '59	94	98	5.16
5½	Oct. '55	97	101	5.40
6	Apr. '47	99	103	5.45
Saskatchewan:				
4	Sept. '54	72	76	6.66
4	Nov. '60	71	75	6.20
c4½	Oct. '51	82½	86½	6.20
c4½	Mar. '60	74½	78½	6.45
5	Aug. '58	79½	83½	6.83
5½	Oct. '52	85	90	6.73
6	Mar. '52	89	93	6.39

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Oct. 15, 1940

Industrials:	Bid	Ask.
Acme Farm. D.	23	25
Andian National	29¾	30¾
Anglo C. Tel., A	7¾	8½
Atlas Steel	17	..
Barrymore, pfd.	28	..
Blue T. Brew. A	8	9
B. C. Pulp, c.	18½	19
Do., pfd.	70	78
B. C. Sugar	74	76
B. C. Tele., 1st p	110	113
Burns & Co., A	5	6
Do., B	3	4
Can. Col. Air.	3	4
Can. Co-op Wool	6½	8
Can. Cr. Stone p	22	..
C. I. L., A c.	225	..
Can. Ing. Rand	70	74
Can. Tube, 1st p	67	71
Chase, A. W., p.	17	19
Claude Neon, p.	5	6½
Colonial Steam.	16	17½
Dom. Manuf., p.	60	65
Dunlop T., p $25	22½	23½
Easy Wash. p $10	8¾	10
Goderich Elev.	7½	8½
Guard. Realty, p	15	18½
Guelph Carp., p.	98	101
Do., com.	16½	19½
Gurney Fdry. p.	1¾	1¾
Hayes Steel, c.	9½	10½
Hi'land Dairy, p	45	50
Homewood San.	100	120
Inglis, John, c.	5	7
Ingram & Bell	21½	25
Kingston Sh. un	22	24
Loblaw Inc., c.	12½	13

	Bid	Ask.
Minn.&Ont. Pap.	3½	4½
Morrison Br. un.	5	6
M'row Screw, p.	99	..
Do., com.	10	..
Neilson, Wm., c.	10	..
Do., pfd.	101	..
N. B. Tel., c.	13	15
N. Meth. Ldy., p	52	57
Niag. L. A. Br.	..	55
Ont. Tobacco, p.	14	..
Paterson Wm., p	101½	..
Prov. Paper, pfd	102	104
Ruddy, E. L., p.	24½	27½
Seal O Sac (Can.)	1	2
Stand. Fuel., p.	57	63
Stedman Pf., $50	55½	58
Tor. Carpet, c.	28	32
Do., pfd.	59	64
Un. F. Co-op.	2½	3
Un. Steel, A pf.	22	23½
Viceroy p. & rts.	25	..
Trusts & Loan Stocks:		
Brit. Mtge.	126	..
Capital Trust	26	29
Com. Fin., c.	2½	3
Grey&B. Tr. $50	42	45
Guaranty Trust.	98	101
Guelph & C. $50	52	55
Lambton Loan	30	..
London & West.	34	40
Sherbrooke Tr.	120	..
Sterling Tr.	57	..
Traders Fin. A c	10	11
Do., A pfd.	80	85
Trusts & Guar.	24	25
Victoria Trust	70	80

Insurance Stocks:	Bid	Ask.
Brit. Amer.	52	57
Canada Life	390	420
Confed. 30% pd.	130	140
Crown fully pd.	235	270
Dominion Fire	130	..
D. of Can. Gen.	102	112
Empire 25% pd.	5	8
Excelsior 36% pd	57	62
Federal 25% pd.	50	54
Great-West Life	205	220
Imperial Life	290	300
Manufac. Life	215	240
Sov. L. 25% pd.	12½	15
Sun Life	340	380
Tor. General	5	5½
Wellington Fire	58	..
Western Assce.	40	43
Theatre Stocks:		
Allens, King., p.	62	65
Do., London, p	52½	56
Do. St. Cath. p	50	54
Do., Tor., p.	31	35
Mansf. Theat., p	28	30
Para., Kitch., p.	50	55
Do. Oshawa c.	9½	11
Investment Trust Shares:		
Can. Investors	5½	6
Deb. & Sec., pf.	62	..
Sec's. Hold., pf.	18	22
United Corp., A	17½	..
Do., B	4½	5½
Power Issues:		
Can. W. N. Gas	25	..
Do., pfd.	100	102
Gt. Lakes Pr., p.	99	103
Mtl. Is. Pwr., p.	20	..
Nor. Ont. Pr. p.	76	84

Unlisted Mines

Toronto, Oct. 15, 1940

	Bid	Ask
Acordia	.25	.27
Addington	.01	.02
Albany R	.11	.12
Albany n	.29	.31
Amal Kirk	.05	.06
Anoki	.06	.07
Arjon	.02½	.02¾
Armistice	.01½	.02
Argosy	.06	.07
Area	.03½	.04½
Arno	..	.01½
Athona (Old)	.01	.02
(New)	.02	.03
Barb Lard	.01¾	.02½
Brock	.23	.25
Bilmac	.00¾	.01½
Buff Bear	.01	.02
Bonetal	.44	.46
Calder Bo	.02	.04
Central M	.02	.03
Coin Lake	.02½	.04
Cons Chib	.04	.06
Crescent	.01	.02
Dayton	.01	.02
Desants n	.11	.14
Dona Pat	.03	.04

	Bid	Ask
E Lacoma	.00½	.01
Elmos	.04½	.06
Franco	.27	.30
Galore	.01½	.02½
Gate Pat	.00½	.01
Gilbec	.00½	.01
Gordon Lb	.01	.02
Hiawatha	.04	.06
Hoyle nw	.25	.26
Hugh PaP	.06½	.07
Hutch Lke	.01½	.02½
Jolliette	.01	.02
Keora	.01	.02
Kenricia	.01½	.02½
Kewaga'a	..	.02
Kiena	.07	.09
Kirk Gate	.01	.02
Lacoma	.00¾	.01½
Lake Duf	.26	.28
Lake Gen	.05	.08
Lw Pete	.15	.20
Magnet C	.90	.93
Magnet L	.18	..
McGregor	.03	.03½
Magwell	.02	.05
Martin Br	.02½	.03½
Monarch	.01½	.01¾

	Bid	Ask
Margaret	.09	.12
Mata Can	.06½	.07½
Mof Hl n	.01½	.02
Mooshla	.01½	.02½
Mosher	.07½	.09
Nat Mal	.42	.45
Negus	.65	.75
New Roy	.00½	.01
Nickel O	.75	.95
Norbeau	.14	.19
Norlake	.00½	.02
North Am Moly'm	..	.17
Norwin	.04	.06
Oklend	.07½	.08½
O'Leary	.01¾	.02½
Opemiska	.02	.04
Oriole	.01	.01½
Orpit	.01	.02
Ossian	.01	.02½
Pacsack	..	.06
Pascalis	.25	.30
Pelangio	.01¾	.02½
Phoenix	..	.03
Polaris	.19	.21
Pont R (Old)	.02	.04

	Bid	Ask
Propri'y	2.05	2.20
Presdor	.02½	.03½
Queb Man	.05½	.07
Rahn Lke	.01½	.02½
Rand Mal	.08	.09
Red Lake	.02½	.03½
Sachigo	2.00	2.75
Senore	.08	.09
Shenango	.02	.02½
Sheldon	.03½	.05
Siscoe Ex	.01½	.02½
Skynner	.03½	.04½
Smelters	..	.01
Spooner	.04	.05
Sunbeam	.03	.04
Springer	.03	.04
Stadacona	.06½	.07½
Thomson	.09	.11
Thomp Cd	.01	.02
Treaty P	..	.23
Union Min	.03	.04
Wasu	.03	.06
West Red	.02½	..
Winoga cum rts	.02½	..
Woco	.03	.05
Y David'n	.24	.25

Montreal, October 15, 1940

	Bid	Ask
Cad Exp	.02	.04
Chibmac	..	.02
C. Pand'ra	.01	.02
Cournor	.18	.22
Dubisson	.08	.12
L Rowan	.03	.05
Obalski	.01½	.03
Pan Can	.06	.07
Scott Ch	.02	.03
Westwd C	.01	.02

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Oct. 15, 1940

Public Utility Issues:	Int. Rate %	Due	Bid Oct. 15	Asked	Bid Oct. 8
†Assoc. Tel. & T.	5½	'55	74½	77½	77½
B. C. Power	4½	'60	99½	...	99
B. C. Tel.	4½	'61	104	...	103
†Calgary Pwr.	5	'60	105	...	105
Do.	5	'64	102	...	102
†Can. Nor. Pwr.	5	'53	104	...	104
*Dom. Gas & El.	6½	'45	101½	104½	101½
Gatineau Pwr.	5	'49	102	105	102
Do., A	3¾	'69	97	100	96½
Gt. Lakes Pwr.	4½	'56	97	...	97
*Int. Hydro-E.	6	'44	74	77	75½
▲Inter. Power	6	'55	100½	...	100
Macl'n-Que. Pr.	4	'59	97	100	96½
Mtl. L. H. & P.	3½	'56	98½	100½	98½
Do.	3½	'73	95½	98½	95½
†Mtl. Tramways	5	'41	90½	93½	90
†Do.	5	'55	64	67	63½
Nat. Lt. & Pwr.	6	'49	98½	...	98½
N. S. Lt. Pr.	4	'57	99	...	99
Ottawa H. & P.	4	'57	99	...	99
Ottawa V. Pwr.	5	'59	102	105	102
†Power Corp.	4½	'59	98	101	98½
Quebec Pwr.	4	'62	100½	103½	101
*Saguenay P., A.	4½	'66	105	...	104
▲Do., B.	4½	'66	103	...	103
Shaw. W. & P.	4	'61	101½	104½	101½
Union Gas	4½	'50	102	...	101½
†United Secs.	5½	'52	60½	63½	60½
Wpg. El., ser. A	4	'65	73½	76½	73
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	70	73	67½
Acadia Sugar	4½	'55	99	...	98½
†Alta. Pa. Grain	6	'46	97	...	97
Atlantic Sugar	4	'51	99	...	98½
†B. C. P. & Pap.	6	'50	97½	...	95
*Brown Co.	5½	'46	54½	57½	54½
Burns & Co.	5	'58	63	66	63
Canada Bread	6	'41	101	104	101½
Canada Cement	4½	'51	103	...	103
Can. Paper	4½	'52	97½	...	97½
Can. Steamship	5	'57	96½	99½	96½
Can. Canners	4	'51	100	103	100
*Can. Int. Paper	6	'49	102	...	101½
†Candn. Vickers	6	'47	52	55	54
C. P. R.	3½	'51	89	92	89
Do.	4	'49	93	96	93
Do.	4½	'44	96½	99½	97
Do.	6	'42	102	105	102
†Consol. Paper	5½	'61	67½	70½	67
Dom. Coal	4½	'52	100	...	100
▲Dom. Stl. & Co.	6½	'55	106	...	106
Dom. Tar	4½	'51	100½	...	100½
†Donnacona P.	4½	'56	80½	83½	81
Famous Players	4½	'51	99½	102½	99
†Federal Grain	6	'49	97	...	97
†Fraser Cos.	6	'50	98½	101½	98½
Gen. Stl. Wares	4½	'52	98	...	98
*Great L. Paper	5	'55	92½	95½	93
†Gypsum, Lime	5½	'48	97	...	96
Ham. By-Pr. C.	5	'55	101	...	100½
Inter.-City Bak.	5½	'48	100	...	100
*Inter. P., Nfld	4½	'68	93	...	88
Lake St. J. P.	5½	'61	90	93	90½
†Maple Leaf M.	3	'58	72	75	73
Massey-Harris	4½	'54	91½	94½	91½
McColl-Fron.	4½	'49	102	105	102½
McCormick's	4	'52	94½	...	93
*M. & O. Paper	6	'45	48	51	47½
Nat. Grocers	4	'47	100	...	100
N. S. Stl & Co.	3½	'63	82	85	82
Price Bros.	5	'57	97½	100½	97½
*Prov. Paper	5½	'47	103	...	103
Reliance Grain	4½	'52	94	...	94
†Restigouche Co.	6	'46	97½	...	97½
Rolland Paper	4½	'51	102½	105½	102½
Simpson's Ltd.	4½	'51	101	...	101
Smith, Howard	4½	'51	103	...	102
*United Gas	5½	'48	102½	...	102½
United Gr. Grs.	5	'48	94	...	94
†Western Grain	6	'49	52	55	52

*Payable in Canada, or U. S.
†Payable in Can., U. S., or U. K.
▲Payable in Can. or U. K.

Municipal Bonds

Oct. 15, 1940

†Halifax	5	1961	105.00	110.00	4.27
Hamilton	5	1950	109.70	111.70	3.53
Montreal	5	1945	94.00	97.00	5.78
Ottawa	4½	1945	104.15	106.15	3.10
†Quebec	5	1959	104.00	108.00	4.37
Saint John	5	1950	102.00	106.00	4.28
†Toronto	4½	1955	107.50	110.00	3.61
†Vancouver	5	1950	98.00	102.00	4.73
Winnipeg	5	1944	100.00	103.00	4.05

†Payable Can. and N.Y.

Mining Dividends

	Rate	Close Oct. 14	Yield %
Beattie Gold	‡12c	.93	..
Bralorne	80c+40c	10.25	*11.7
Broulan Porc.	3c	.70½	..
Buffalo Ankerite	‡31c	4.65	..
Bulolo Gold	$3	13.50	22.2
Can. Malartic	‡6c	.59	..
Cariboo Gold	16c+6c	2.15	*10.2
Central Patricia	16c+7c	1.92	*11.9
Cochenour Willans	†3c	.67½	..
Coniagas	‡25c	1.25	..
Coniaurum	16c	1.37	11.7
Cons. Smelters	$1+$1	39.50	*5.1
Delnite	‡8c	.80	..
Dome Mines	$2	22.75	8.8
East Malartic	‡20c	3.30	..
God's Lake	2½c	.35	..
Gold Belt	†2c	.22	..
Gunnar Gold	‡6c	.40¼	..
Hallnor	60c	5.50	10.9
Hard Rock	‡9c	.90	..
Hedley Mascot	‡6c	.48	..
Hollinger	65c+45c	13.00	*8.4
Howey Gold	‡2c	.26	..
Hudson Bay	$1.75	25.50	6.9
Inter. Nickel, com.	$2	37.00	5.4
Island Mountain	‡8c	.85	..
Kerr Addison	‡10c	2.85	..
Kerr Lake	‡5c	.20	..
Kirkland Lake	10c+2c	.93	*12.9
Kootenay Belle	‡12c	.35	..
Lamaque Gold	40c+10c	.500	*10
Lake Shore	$2	20.63	9.7
Leitch	8c	.47	17
Little Long Lac	30c	2.15	13.9
Macassa	32c	3.40	9.4
Madsen R. Lake	†3c	.44¾	..
McGillivray Coal	3c	.25	..
McKenzie Red L.	12c+2c	1.03	*13.6
McWatters	10c	.30	..
Moneta	12c	.58	..
McIntyre Porc.	$2.05½+1■	52.00	*5.8
MacLeod-Cockshutt	†10c	2.50	..
Nipissing	15c	1.05	..
Noranda	$4	58.00	6.9
North Empire	‡40c	7.25	..
O'Brien Gold	‡10c	.90	..
Pamour Porc.	12c	1.25	9.6
Pato Cons.	20c	2.20	..
Paymaster	2c	.26½	..
Perron Gold	16c+4c	1.75	*11.4
Pioneer, B. C.	40c	2.09	19.1
Pickle Crow	40c	2.95	13.6
Placer Develop.	$1.20	10.00	12
Premier	12c	.95	12.6
Preston E. Dome	20c	2.03	..
Privateer Mine	‡13c	.54	..
Powell Rouyn	20c	1.01	..
Quebec Gold	‡2c	.20	..
Relief Arlington	†5c	.02½	..
San Antonio	14c+3c	2.20	*7.8
Sheep Creek	16c+3c	.91	*20.8
Sherritt Gordon	10c	.76	..
Sigma Mines	‡45c	6.50	..
Silbak Premier	16c	.55	29
Siscoe	12c	.55½	21.6
Sturgeon River	†2c	.13½	..
Sudbury Basin	2½c	1.15	..
Sullivan Cons.	‡9c	.62	..
Surf Inlet	†1½c	.09	..
Sylvanite Gold	20c+5c	2.50	*10
Teck-Hughes	40c+5c	3.10	*14.5
Toburn	8c+8c	1.30	*12.3
Upper Canada	†3c	1.25	..
Ventures	15c	2.45	..
Waite Amulet	†10c	3.40	..
Wright-Harg.	40c+30c	6.20	*11.3

*Yield including bonus. †Initial.
‡Paid or payable in 1940 to date.
■An extra dividend of $1.11 declared payable Jan. 2, 1941.

U. S. Paper Industry Maintains Operations

From Our Own Correspondent

MONTREAL.—Rate of production in the United States paper industry, excluding paperboard, according to American Paper and Pulp Association index of paper mill activity, was 88.7% for the week ended Oct. 5, against a revised figure of 89.6% for the week ended Sept. 28, and 93.0% for the week ended Oct. 7, 1939.

Annual Meetings

1940	Company	Place
Oct. 21	Wood Cadillac Mines	Montreal
Oct. 30	Federal Grain	Winnipeg
Oct. 31	Teck-Hughes Gold	Toronto
Nov. 27	Guaranty Trust*	Windsor

*Special.

Dividends Declared

	This payment	Date payable	Date of record
Ajax Oil & G.	1½c	Oct. 31	Oct. 5
Ang. Can. Tele., p.	68¾c	Nov. 1	Oct. 15
Ault & Wiborg, p.	$1.37½	Nov. 1	Oct. 15
Blue Ribbon, pfd.	62½c	Nov. 1	Oct. 21
Beatty Bros., 1st p.	$1.50	Nov. 1	Oct. 15
B. C. Tele., 2nd p.	$1.50	Nov. 1	Oct. 17
Bathurst Pr., A	25c	Nov. 1	Oct. 17
Can. Machinery, pf.	$3.50	Oct. 21	Oct. 1
Can. Nor Power	▪23c	Oct. 25	Sept. 30
Can. Bk. of Comm.	$2	Nov. 1	Sept. 30
Canada Iron	$1.50	Nov. 1	Oct. 15
Do., pref.	$3	Nov. 1	Oct. 15
Do., pref.	$3	Nov. 1	Oct. 15
Can. Inv. Fd. sp. ord.	4c	Nov. 1	Oct. 15
Cel. of Am., stk. div.	*	Dec. 10	Oct. 11
Do., prior pf.	†$1.75	Jan. 1 '41	Dec. 17
Do., part. pfd.	†$3.50	Dec. 31	Dec. 17
Can. For. Invest.	70c	Nov. 1	Oct. 15
Candn. Ind., A, B.	$1.75	Oct. 31	Sept. 30
Can. Bronze	37½c	Nov. 1	Oct. 21
Do., pref.	$1.25	Nov. 1	Oct. 21
Cochenour W.	3c	Nov. 15	Oct. 31
Canadian Oil, c.	12½c	Nov. 15	Nov. 1
Do., extra	12½c	Nov. 15	Nov. 1
Can. Converters	50c	Nov. 15	Oct. 31
Calgary Power, p.	$1.50	Nov. 1	Oct. 15
Coast Brew.	3c	Nov. 1	Oct. 8
Can. Investors	10c	Nov. 1	Oct. 18
Delnite Mines	3c	Oct. 30	Oct. 12
Distil.-Seag., p.	†$1.25	Nov. 1	Oct. 15
Dominion Bank	$2.50	Nov. 1	Oct. 19
Dominion Tar pfd.	$1.37½	Nov. 1	Oct. 14
Dome Mines	▪50c	Jan. 20	Dec. 31
Dom. Oilcloth	30c	Oct. 31	Oct. 15
Do., extra	▪10c	Oct. 31	Oct. 15
Electrolux	25c	Nov. 15	Oct. 17
First All Can. Tr.	10c	Oct. 15	Oct. 15
Gunnar Gold	3c	Nov. 15	Oct. 31
Gt. West Sadd., p.	75c	Oct. 30	Oct. 17
Guysborough Mines	▪2½c	Oct. 21	Oct. 10
Hallnor Mines	15c	Dec. 2	Nov. 15
Hollinger Cons.	5c	Nov. 4	Oct. 21
Do., extra	5c	Nov. 4	Oct. 21
Int. Metal, p. & A pf.	$1.50	Nov. 1	Oct. 15
Do., arrears	$6	Nov. 1	Oct. 15
Inter. Util. pfd.	‡†87½c	Nov. 1	Oct. 22
Inter Nickel, pf.	†$1.75	Nov. 1	Oct. 2
Imperial Bank	$2.50	Nov. 1	Sept. 30
Inter. Bronze	37½	Nov. 15	Oct. 31
Kirkland L. Gold	5c	Nov. 1	Sept. 30
Do. extra	1c	Nov. 1	Sept. 30
Kootenay Belle	2c	Oct. 22	Oct. 15
Loblaw Inc.	†20c	Nov. 30	Nov. 15
McIntyre Porc.	55½	Dec. 2	Nov. 1
Do., extra	$1.11	Jan. 2, '41	Nov. 1
Mtl. L. H. & Pwr.	37c	Oct. 31	Sept. 30
Mtge. Corp., N.S.	$1.50	Nov. 1	Oct. 24
Nor. Ont. Pwr.	▪30c	Oct. 25	Sept. 30
Do., pref.	▪$1.50	Oct. 25	Sept. 30
Orange Crush, p.	35c	Nov. 1	Oct. 15
Penmans	75c	Nov. 15	Nov. 5
Do., pref.	$1.50	Nov. 1	Oct. 21
Pamour Porc.	6c	Dec. 2	Nov. 15
Royal Bank	$2	Dec. 2	Oct. 31
Royal Trust	80c	Oct. 31	Oct. 31
Rolland Paper	30c	Nov. 15	Nov. 5
Do., pref.	$1.50	Dec. 2	Nov. 15
Regent Knit., pfd.	80c	Nov. 1	Oct. 15
Silbak Prem.	4c	Oct. 25	Oct. 5
Sullivan Cons.	3c	Nov. 1	Oct. 5
Simpson, Robt., p.	$3	Nov. 1	Oct. 17
San Antonio G.	7c	Nov. 5	Oct. 21
Do., extra	3c	Nov. 5	Oct. 21
Saguenay Pr., pf.	$1.37½	Nov. 1	Oct. 15
So. Amer. Gold	†10c	Nov. 20	Nov. 7
South. Can. Pr., c.	20c	Nov. 15	Oct. 31
Simpsons, pref.	$1.62½	Nov. 1	Oct. 17
St. Law. Flour	25c	Nov. 1	Oct. 19
Do., pref.	$1.75	Nov. 1	Oct. 19
Steel of Canada	43¾c	Nov. 1	Oct. 7
Do., pref.	43¾c	Nov. 1	Oct. 7
Sundance Rylts.	1c	Oct. 31	Oct. 20
Sherritt G. M.	5c	Dec. 12	Nov. 12
Toburn Gold	2c	Nov. 22	Oct. 22
Do., extra	2c	Nov. 22	Oct. 22
Traders Bldg.	$1	Sept. 30	Sept. 25
Union Gas	20c	Dec. 14	Nov. 20
United Corp., A	37c	Nov. 15	Oct. 31
Weston, Geo., pf.	$1.25	Nov. 1	Oct. 15
Wood, A. & J. pf.	$1.75	Nov. 1	Oct. 15
Zellers, pref.	37½c	Nov. 1	Oct. 15

†Payable in U. S. funds.

▪Subject to approval by Foreign Exchange Control Board.

*One share for each 30 common shares held.

‡Subject to approval of Securities and Exchange Commission and payable out of capital surplus.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 215

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st October, 1940, and that the same will be payable at the Bank and its Branches on and after Friday, 1st November next, to shareholders of record at the close of business on the 30th September, 1940. The Transfer Books will not be closed.

By Order of the Board,

A. E. ARSCOTT,
General Manager.

Toronto, 12th September, 1940.

The Dominion Bank

Dividend No. 232

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the Quarter ending 31st October, 1940, making a total distribution of ten per cent for the fiscal year. The Dividend will be payable at the Head Office of the Bank and its Branches on and after Friday, the first day of November, 1940, to shareholders of record of the 19th October, 1940.

By Order of the Board,

ROBERT RAE,
General Manager

Toronto, 12th September, 1940.

San Antonio Gold Mines Limited

(No Personal Liability)

Dividend No. 14

Notice is hereby given that a dividend of 7c a share, and an extra dividend of 3c a share, making 10c a share in all, has been declared on the outstanding capital stock of the company, payable in Canadian funds, on the 5th day of November, 1940, to shareholders of record at the close of business on the 21st day of October, 1940.

By order of the Board.

M. SNYDER,
Secretary.

September 24, 1940.

Sherritt Gordon Mines Limited

(No Personal Liability)
25 King Street West, Toronto.

DIVIDEND NO. 2

NOTICE IS HEREBY GIVEN that an interim dividend of 5 cents per share has been declared by the Directors of Sherritt Gordon Mines Limited (No Personal Liability), payable in Canadian funds on December 12th, 1940, to shareholders of record November 12th, 1940. Payment of this dividend is, under present conditions, subject to obtaining the approval of the Foreign Exchange Control Board.

By Order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

October 10th, 1940.

Insurance Investments
to yield 8%
A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 5101

Canada's War Costs Soar 2100% in First Year

(Continued from page 11)

various departments. But several revealing sidelights have been thrown in this direction in recent weeks.

Mr. Ilsley's reference to the expenditures of the air force (and they are bound to increase and not decrease) indicates that the outlay in the next six months will greatly exceed that of the last six months. Hon. J. L. Ralston, in his speech at Montreal on Sept. 4, said that the air force would actually spend $260 millions this fiscal year, as against the estimate of $218 millions. The expenditures of the army, he said, were also rising rapidly. Since the August estimate was made, some 20,000 men have been added to the C.A.S.F. and an armored brigade, to be enlarged later to an armored division, has been authorized. More than 200 tanks, obsolete but still valuable, have been bought from the United States.

In a statement issued in mid-September, the department of naval defense, said that the estimate of $123 millions would be exceeded.

The Big Question Mark

But it is the Munitions and Supply department which introduces the greatest element of uncertainty into financial valuations. Consider that up to March 31, last, orders totalled $142 millions. They were then running around $3 millions per week. In September, the average exceeded $10 millions per week and in one week the total soared to $25 millions.

But as Hon. C. D. Howe explained in a statement issued in September these weekly totals do not, and cannot, contain all the commitments entered into. Much work is put in hand without contracts being entered into.

On Aug. 31 Mr. Howe announced that purchases by his department since the beginning of the war exceeded $300 millions. In addition there had been bought on Britain's account $85 millions of equipment and supplies. Capital expenditures had been authorized to the sum of $165 millions. In all, these figures came to $550 millions which, after deducting $142 millions, meant that the total commitments in the current fiscal year was $408 millions. The capital outlay, he said, would build 100 new plants whose output would be worth approximately $800 millions per year.

Significantly, he said that many of these new plants would be in production before next February.

Then on Sept. 20 he announced that purchases had soared to $325 millions with another $20 millions to be added within a few days, making $345 millions in all. Orders on Britain's account were now $100 millions. Capital investment in new plant had grown to $225 millions. On Oct. 9 he announced further capital investments in Hamilton, Ont., of $25 millions and on the following day he announced a contract for tanks to cost $150 millions.

Will Add Immensely

True, much of these Munitions of Supply commitments will fall for payment after the end of this fiscal year. More, a good part of the expenditure is on account of our own fighting services and will be paid for out of the votes for these departments. In other words, the cost is already covered in the estimates for our army, air force and navy.

But all factors considered, it is plain that Munitions and Supply expenditures will not only exceed the estimate of $55 millions but will also add immensely to the outlay this fiscal year for our fighting services.

It is notable that Parliament prior to adjournment last August, appropriated only $816,488,502 for the war. There were millions in appropriations not asked for prior to adjournment because the Government expected to recall Parliament Nov. 5. Now Parliament is slated to meet only briefly in November and defer a full session until January. This would indicate that the Government is confident that present appropriations will cover all war costs up to January. Otherwise, resort to Royal Warrants would be inevitable.

Twice Last War

By way of contrast, the record of expenditures in the last war shows how vastly the burden of war has increased.

Between Aug. 4, 1914, and March 31, 1915, expenditures on war were $60,750,476. The comparable figure for this war—from Sept. 4 to March 31—was $118 millions, or roughly two to one.

In the fiscal year 1915-16, war expenditures were $166,197,755. Against this, the outlay for war in the fiscal year 1940-41 will approximate $940 millions. In the first six months of this fiscal year the actual cash outlay was $238 millions.

In the year 1915-16, the army cost $160,433,416. In 1940-41 the army will cost $490 millions. The navy in 1915-16 cost $3,274,024: in 1940-41 it will cost $123 millions. There was no Canadian air force in the last war and therefore no expenditure on this head. The outlay on munitions in 1915-16 was $57,213,688 but this item rose rapidly in the following years.

All told, Canada spent just over $1,000 millions in fighting the last war, from the day war was declared until cease fire sounded. This is about equal to the amount which will be spent in the present fiscal year on war.

DIVIDEND NOTICES

Blue Ribbon Corporation Limited

NOTICE is hereby given that a dividend of sixty-two and a half cents (62½c) per share on the Preferred Shares of the Company has been declared payable on and after the first day of November, 1940, to holders of record at the close of business on the 21st day of October, 1940.

DATED AT TORONTO this 11th day of October, 1940.

D. W. LAVERTY,
Assistant Secretary.

GUNNAR GOLD MINES LIMITED

(No Personal Liability)

DIVIDEND No. 7

Notice is hereby given that a dividend of three cents per share has been declared on the outstanding Capital Stock of the Company, payable November 15th, 1940, to shareholders of record October 31st, 1940.

By order of the Board.

B. E. KEARNS,
Secretary-Treasurer.

Toronto, October 11th, 1940.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 337
EXTRA DIVIDEND NUMBER 66

A regular dividend of 1%, and an extra dividend of 1%, making 2% in all, have been declared by the Directors on the Capital Stock of the Company, payable on the 4th day of November, 1940, to shareholders of record at the close of business on the 21st day of October, 1940.

Dated the 12th day of October, 1940.

I. McIVOR,
Assistant-Treasurer.

Cochenour Willans Gold Mines, Limited

(No Personal Liability)

INTERIM DIVIDEND NO. 1

NOTICE IS HEREBY GIVEN that an interim dividend of three cents per share in Canadian funds has been declared on the issued capital stock of the company and will be paid on the 15th day of November, 1940, to shareholders of record at the close of business on the 31st day of October, 1940.

As this is the initial dividend, shareholders holding certificates which are registered in other than their own names are advised to have such share certificates transferred to their own names on or before October 31, 1940. Requests for such transfers should be forwarded with properly endorsed certificates enclosed to the company's transfer agent, Chartered Trust & Executor Company, 34 King Street West, Toronto, Ontario.

By Order of the Board.

G. M. HUYCKE,
Secretary.

Toronto, Ontario.
October 8, 1940.

Commodity Levels Swing Upward

Advances Small But General — Markets See Long War Ahead

While prices of individual commodities have continued irregular, all the weekly indices, both spot and future, have moved upward. Advances generally were small, the greatest relative rise being in the Dow Jones futures index, which rose about 1%.

The markets generally seemed to reflect a conclusion that the war is likely to be a long one. Accordingly purchasing agents seemed to be mapping their course to meet two prospects:

That the war demand would absorb much of the available supply of various materials.

That the spread of hostilities might interfere with the supply of certain commodities from the East, such as rubber and silk.

On the other hand there has been speculation as to how effective price controls would be in both Canada and the United States in retarding upward trends which might develop.

In the agricultural group, hog prices continued strong, under the war demand for bacon. Cattle prices were lower owing to heavy deliveries which exceeded the demand.

COMMODITY PRICES

	Latest week	Previous week	Same week last yr.
Cattle	$8.35	$8.65	$7.25
Hogs	12.15	12.00	9.00
Copper, lb.	.12	.12	.12½
Cotton, lb.	.0975	.0994	.0916
Rubber, lb.	.2037	.1962	.2010
Sugar, raw, lb.	.0278	.0280	.0360
Silk, lb.	2.76	2.61	3.14
Wheat, Man. (bu.)	.70⅛	.70½	.70½
Coffee, lb.	.05	.05	.05¼
Hides	.13	.13	.15½
Weekly Indices			
Canada (D.B.S.)	82.9	82.8	78.0
Do., Wood, Gundy	66.6	66.0	64.5
U. S. Labor	77.8	77.7	79.0
Dow Jones (future)	54.43	53.78	55.36
Fishers'	82.8	82.4	82.7
Monthly Indices			
Canada (D.B.S.):			
Retail (Sept.)*	106.4	105.9	100.8
W'sale (Aug.)	82.7	82.4	72.3
U. S. (July)	77.7	77.5	75.4
Gt. Brit. (June)	134.8	133.7	98.1

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base. *Base 1935-39—100.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Silk—Crack db., 13-15 New York. Sugar — 96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Hides—No. 1 packer light.

Home Operations Yield Profits

Net Revenue $390,029 After Royalties and Operating Expenses

With production amounting to $492,327 from 415,474 barrels of oil from Jan. 1 to Sept. 30, 1940, Home Oil Co. realized net operating profit of $390,029 for the period after allowing $58,627 for royalties and $43,670 for field expenses.

Home-Millarville No. 2 well produced $216,639 barrels for a gross revenue of $207,027 during the period; Home-Millarville No. 3 well produced 141,748 barrels with a gross value of $116,765 from its completion on Feb. 23 to the end of September; and Home-Millarville No. 4 produced 99,378 barrels with $116,534 gross value from completion on Jan. 12 to Sept. 30, 1940.

Retains Royalite Shares

On Sept. 30, 1940, Home Oil still held 20,000 shares of Royalite Oil Co. stock. The total market value of current assets as at that date was $1,071,927 including $515,554 cash. Current liabilities were approximately $50,000.

Drilling of Home wells in Turner Valley on Oct. 7, 1940, was proceeding as follows: No. 1 well was down 6,411 ft.; No. 5 well was down 7,442 ft.; and No. 6 well was drilling at 5,615 ft. Drilling of the Home-Brazeau No. 1 well was suspended at 8,728 ft. following a repetition of structure. No further drilling is planned in this latter area during the current year.

Lake of Woods Profits Higher

Sharp Advance in Income Taxes Cuts Earnings on Capital Stock

From Our Own Correspondent

MONTREAL.—Lake of the Woods Milling Co.'s financial statement for the year ended August 31, 1940, shows a moderate expansion in operating profits. A sharp increase in reserve for income taxes, however, lowered the amount available for distribution on the common stock as compared with that reported in the previous year.

Operating profit totalled $1,039,657, compared with $943,088 the year before. Other income was much the same. There is no material change in ranking charges, except for income tax reserve which amounted to $338,830 as against $175,550 the year before. As a consequence net profit at $476,600 was $132,000 less than in 1938-39.

Due to Export Trade

Results last year, said F. S. Meighen, president, were due largely to the increased grind of Canadian flour for the British market. "This heavy grind is entirely a war condition," he continued, "and it would be unwise to believe that it will continue indefinitely, unless enemy air raids grow in intensity, and seriously hamper the operation of British flour mills."

Financially the company ended the year in a strong position. Net working capital at just under $1.3 million is the largest reported in many years. Bank loans increased during the year from $109,000 to $509,000, while inventories advanced from $1,046,440 to $1,624,385. A little over $100,000 was spent on capital account which now stands at better than $6.6 millions, while accounts receivable moved forward from $656,722 to $819,520.

Comparative figures on the profit and loss account for the past two years follow:

Income and Surplus Account
Years Ended Aug. 31

	1940 $	1939 $
Operating profit	1,039,657	943,088
Less: Interest	82,164	60,811
Depreciation	100,000	100,000
Income taxes	338,830	175,550
Directors fees	11,250	3,125
Exec. salaries	69,100	66,500
Legal fees	190	1,495
Add: Divds. rec.	35,991	38,730
Investment inc.	2,486	2,355
Misc. income	......	31,816
Net profit	476,600	608,508
Less: Pfd. divds.	175,500	105,000
Com. divd.	73,844	......
Surplus	245,256	503,508
Previous surplus	1,931,514	1,480,506
Less: Pfd. arrears	......	52,500
Surplus forward	2,176,770	1,931,514

Working Capital

	1940 $	1939 $
Current assets	2,482,838	1,759,804
Current liabilities	1,221,112	674,699
Working capital	1,261,726	1,085,105

See Bigger Quota For Bacon Export

Britain May Guarantee 40% Increase in Minimum

From Our Own Correspondent

OTTAWA.—Canada's $50 millions annual bacon export to Britain is expected to be substantially expanded, following current negotiations in London. The present deal which calls for minimum shipments of 5.8 million pounds weekly, expires the end of the month.

Recently much greater than minimum weekly shipments have been going forward to Great Britain and authorities here are hopeful that something like the present rate will be officially ratified. A 40% increase or approximately a minimum of 7.8 million pounds per week has been mentioned. No difficulty is anticipated in such exports, Canada having both the productive and packing facilities to handle it. In the last few years hog output, especially in western Canada, has been stepped up rapidly, and with low grain prices continuing this output is expected to remain high

Lower Price

The present bacon deal guarantees a minimum price of about 18 cents per pound and more if costs of feed rise above a certain point. This price is equivalent to about $9 per cwt. for live hog in central Canada, slightly lower in the West. If Great Britain can be induced to guarantee larger shipments of bacon in the next year then there may have to be some modification of export price but this may not affect domestic hog prices a great deal as generally export levels have been higher than domestic over the past year.

Whittier Gold Plans Deeper Drilling

From Our Own Correspondent

WINNIPEG. — Whittier Gold Mines Ltd. with a group of 12 claims on the northwest shore of Elbow Lake has completed preliminary diamond drilling and is now planning a further drilling campaign to test conditions at greater depth.

The holes already put down have been comparatively shallow and covered a distance of 1,500 ft. along the main break. This drilling and surface exploration, stripping and trenching, have given considerable encouragement, it is stated.

Development work is expected to be continued through the winter as the property is easily accessible, 10 miles from Heming station on the Cranberry-Sherridon line of the C.N.R., or by water or plane from the Cranberry Lakes to Elbow Lake.

CENTRAL PAT. RECOVERY

A slight increase in production was shown by Central Patricia Gold Mines in the three months ended Sept. 30, 1940 with output worth $480,285 obtained from milling 29,984 tons of ore for an average recovery of $16.02 a ton. In the previous quarter, recovery was $453,210 from 29,045 tons, an average of $15.41 a ton.

Week in Wheat

Wheat Board Now Has 32% Surplus Bought

Cost Roughly $100 Millions — Estimate Storage Available for 87 Million Bushels More — Grade of Crop High

From Our Own Correspondent

WINNIPEG.—Elevator congestion is now being felt severely at a large percentage of points in western Canada and daily deliveries are slowed down because of lack of space in which to put the grain.

Up to date, western farmers have been able to deliver more than 170 million bushels of wheat. That is better than was expected at first, largely because of the extent to which additional storage has been provided by the elevator companies through building of annexes. It was at first thought that 30 million bushels of additional space would be all that could be provided. Already bins to hold more than 40 million bushels have been erected and building is still going on at a rate that promises to give a total of 60 million bushels extra space in annexes.

The Canadian Wheat Board is daily revising quotas allowed for deliveries at individual points. Wherever it is found that local space will take care of more than the 8 bushels of wheat which is the general quota basis, an increase is allowed up to 10 or 12 bushels, and in a few cases up to 15 bushels per acre.

Some Not Delivering

There are a limited number of farmers, but a very small fraction of the total, who are not delivering all the wheat allowed to them under the quota for which storage is available in country elevators.

This, however, does not appear to be because such farmers are attracted by the farm storage payments which they are to be allowed by the Canadian Wheat Board. It results rather from the fact that having delivered all the grain they could manage while threshing was in progress, and having provided some sort of storage for the remainder of the crop, they are turning their attention to regular fall work on the farm and trying to get as much ploughing and cultivating done as possible as long as good weather lasts.

Total daily farm deliveries in western Canada have lately been running at about 2 million bushels per day, a rate which it will not be possible to maintain much longer. As country elevator space is filled up the only relief available depends upon outward shipments in railway cars, which is again dependent upon the rate at which grain can be moved out of terminals at the Head of the Lakes.

* * *

Try to Avoid Blockade

The railways have lately been restricting the loading of wheat at country elevators to about 4 million bushels a day in order to avoid too great an accumulation in railway cars of wheat which cannot be unloaded at the terminals.

A committee working under the jurisdiction of the Board of Grain Commissioners endeavors daily to allocate cars to points most in need of them. Wherever wheat delivery quotas are increased, outward shipments of wheat are forbidden and will remain so until it is practicable for all points to take care of the eight-bushel quota.

Railway shipments are likely to be on a highly restricted basis until near the close of navigation. At that time a considerable relief of the western situation is anticipated as grain is placed on lake vessels for winter storage, although the quantity that can be so accommodated remains uncertain at the present.

* * *

Most Higher Grade

As the Canadian carryover accumulates in store, it is concentrated to a remarkable extent in the higher grades. On a recent date, out of 83 million bushels of wheat in store at the Head of the Lakes, nearly 90% or 76 million bushels was concentrated in the grades 1 Northern and 1 Hard. The only sizeable quantity in other grade consisted of 3,364,000 bushels of No. 3 Northern, while the different lower grades usually found in considerable quantity were represented either by almost negligible quantities or, in some cases, none at all. There has been a comparatively small accumulation as yet of Garnet wheat, mainly as the result of late threshing in northern Alberta where Garnet wheat is chiefly grown.

Ontario Hydro Load Up 12.3%

Large Gains Shown by Niagara System in September

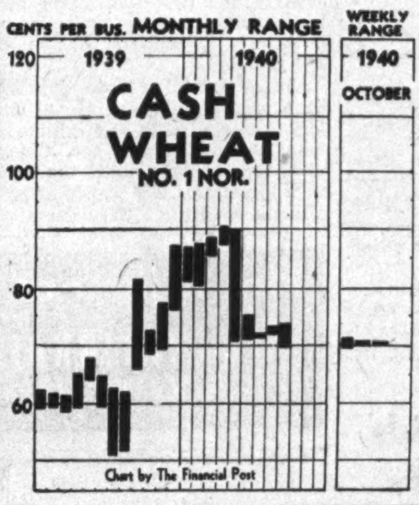
Power demand on the various systems of Hydro-Electric Power Commission of Ontario continues to grow. September figures show the aggregate primary and secondary peak load up to 1,928,161 h.p. compared with 1,873,183 h.p. in the same month a year ago.

The primary load is up considerably more than the combined primary and secondary. At 1.7 million h.p. the primary load is up 12.3% from a year ago. The Niagara System, serving the industrial southwestern part of the province, shows a gain of 13.4% in primary load and one of 7.2% in the combined primary and secondary.

Thunder Bay is down in both primary and combined load while eastern Ontario shows a decline in the secondary.

System	Max. 20-Minute Peak H.P. Sept. 1940	Sept. 1939	% Inc.
Primary Loads			
Niagara	1,249,597	1,101,474	+13.4
Eastern Ont.	155,174	141,201	+ 9.9
Georgian Bay	37,269	36,536	+ 2.0
Thunder Bay	96,515	98,934	— 2.4
Northern Ont.	194,244	165,124	+17.6
Total	1,732,799	1,543,269	+12.3
Primary and Secondary Loads			
Niagara	1,412,332	1,317,828	+ 7.2
Eastern Ont.	155,496	173,520	—10.4
Georgian Bay.	37,269	36,536	+ 2.0
Thunder Bay.	96,515	131,917	—26.8
Northern Ont.	226,549	213,382	+ 6.2
Total	1,928,161	1,873,183	+ 2.9

Wheat Prices



Cash Quotations

	For Week Oct. 15 High	Low	Prev. Week High	Low
Wheat:				
1 Hard	.70⅜	.70	.70⅝	.70⅛
1 Nor.	.70⅜	.70	.70⅝	.70⅛
2 Nor.	.68⅞	.68⅛	.69	.68⅜
3 Nor.	.63⅜	.63	.63⅝	.62⅞
4 Nor.	.63⅜	.63	.63⅝	.62⅞
5 Wheat	.59⅜	.57½	.59⅝	.58¾
6 Wheat	.55⅜	.55	.55⅝	.55⅛
Feed	.51⅜	.51	.51⅜	.51⅛
Oats:				
2 C. W.	.32⅝	.32	.33¼	.31⅝
3 C. W.	.31⅜	.30¼	.31¾	.30⅝
Barley:				
1 Feed	.37¾	.37	.38⅞	.38⅛
2 Feed	.37¼	.35¾	.38¾	.37⅝
Flax:				
1 C. W.	1.18¾	1.17	1.20	1.18¾
2 C. W.	1.14¾	1.13	1.16	1.14¾
Rye:				
2 C. W.	.43⅛	.42½	.44⅛	.42½

Winnipeg Grain Futures

Week to Oct. 15, 1940

Crop year from Aug. 1, 1940 High	Low		Open Oct. 9	High for week	Low for week	Close Oct. 15	Close year ago
		Wheat					
.73⅝	.70	Oct.	.70⅜	.70⅝	.70⅛	.70⅜	.71⅛
.74⅝	.71⅝	Dec.	.71¾	.71⅞	.71⅝	.71⅝	.72¾
.77⅝	.75⅛	May	.76	.76⅛	.75⅞	.75⅞	.77¼
		Oats					
.33	.27¾	Oct.	.32¾	.32¾	.31¾	.32¼	.32⅝
.30⅜	.25⅝	Dec.	.30⅛	.30¼	.29½	.29⅞	.30½
.30⅜	.26⅝	May	.30⅛	.30⅝	.29⅝	.30⅛	.30⅝
		Barley					
.39⅞	.31½	Oct.	.39⅛	.39¼	.38¼	.38½	.42½
.39½	.30½	Dec.	.38¾	.38¾	.38	.38⅝	.42⅛
.41¼	.33⅝	May	.39⅞	.39⅞	.38½	.38⅞	.42⅝
		Flax					
1.34½	1.16½	Oct.	1.18½	1.19	1.17	1.17	1.67½
1.34⅛	1.16¼	Dec.	1.18	1.18	1.16½	1.16⅝	1.63¼
1.39⅝	1.16	May	1.19½	1.20	1.19	1.19⅛	1.63¼
		Rye					
.46⅛	.40⅛	Oct.	.42½	.43⅛	.42⅜	.43⅛	.62½
.47⅛	.40¾	Dec.	.43⅞	.44⅝	.43⅝	.44¼	.57⅝
.50	.44¼	May	.47¼	.47⅝	.46⅞	.47⅜	.59⅛

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Dominion Textile Co. Building New Unit

From Our Own Correspondent

MONTREAL. — Dominion Textile Co. has taken out a permit for construction of a new factory here on St. Ambroise Street. Contract has been awarded to Anglin-Norcross Corp. and the value of the work involved runs around $90,000.

St. Lawrence Paper Mills Plans Improvements

From Our Own Correspondent

MONTREAL. — St. Lawrence Paper Mills Co. is reported to be considering improvement of its mill at Three Rivers at an estimated cost of $200,000, including cost of new equipment.

LAKE OF THE WOODS MILLING COMPANY, LIMITED

AND ITS WHOLLY OWNED SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET AS AT 31st AUGUST, 1940

ASSETS

Property Account		
Land, Water Power, Buildings, Machinery and Equipment at Cost, less depreciation applied and the annual amount of depreciation written off Automobiles and Trucks	$6,648,068.56	
Less: Reserve for Depreciation	2,019,178.48	$4,628,890.08
Deferred Charges to Revenue		21,765.74
Investment in Controlled Company—Allied Industry: (Held by the Trustee for the Bondholders)		611,193.87
Sundry Investments—Grain Exchange Seat, etc.		6,532.00
Goodwill, Trade Marks, etc.		250,000.00
Cash on Hand and in Banks (Net)	23,932.26	
Investments (Market Value $26,480.00)	13,000.00	
Accounts Receivable After providing for Bad and Doubtful Debts	819,520.63	
Inventories Valued as follows: Grain at approximate Market Value. Flour and Feed at approximate Manufactured Cost. Bags and Materials at approximate Manufactured Cost and approximate Cost Price respectively	1,624,385.83	2,482,838.72
		$8,001,220.41

LIABILITIES

Capital Stock		
Authorized:		
200,000 Shares of No Par Value.		
15,000 Shares of 7% Cumulative Preferred Stock of $100. each.		
Issued:		
147,689 Shares of No Par Value	$2,953,780.00	
15,000 Shares of 7% Cumulative Preferred Stock of $100. each	1,500,000.00	$4,453,780.00
First Mortgage Bonds, 6% Due 1st May, 1941: Issued and held by the Banks as collateral to Loans $4,000,000.00		
Bank Loans Secured as Above and Under Sections 88 and 88 of the Bank Act	509,000.00	
Accounts Payable	216,167.72	
Provision for Federal, Provincial and Municipal Taxes	495,945.04	1,221,112.76
Insurance and Other Reserves		149,558.01
Earned Surplus		2,176,769.64
		$8,001,220.41

PROFIT AND LOSS AND SURPLUS ACCOUNT FOR THE YEAR ENDED 31st AUGUST, 1940

Balance—at 31st August, 1939			$1,931,513.61
Add: Net Operating Profit for the year ended 31st August, 1940		$1,039,657.74	
Less: Interest	$82,164.40		
Depreciation	100,000.00		
Provision for Income Taxes	338,830.00		
Directors' Fees	11,250.00		
Executive Salaries	69,100.00		
Legal Fees	189.62	601,534.02	
		438,123.72	
Dividends from Investment in the Controlled Company	35,991.00		
Income from Investments	2,485.81	38,476.81	476,600.53
			2,408,114.14
Deduct: Dividend on Cumulative Preferred Stock—Including balance of arrears	157,500.00		
Dividend on Common Stock	73,844.50		231,344.50
Balance—at 31st August, 1940 per Consolidated Balance Sheet			$2,176,769.64

Contingent Liabilities:

Guarantee of $1,083,500.00 5½% Bonds of Inter City Baking Company, Limited.

On Customers' Paper under Discount, Canadian and other Drafts [illegible]

United Kingdom and other Sterling Drafts $97,822.?3

On behalf of the board: HUGH MacKAY, ALP. RAYMOND, Directors.

MONTREAL, 8th OCTOBER, 1940.

We have examined and audited the Books and Accounts of the Lake of the Woods Milling Company, Limited and of its Wholly Owned Subsidiary Companies for the year ended 31st August, 1940.

The investment in the Controlled Company appears in the Balance Sheet at what, in our opinion, [illegible] the dividends paid by this Company were [illegible]

[illegible]

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants, Auditors.

Before You Insure
Consult
Confederation
Life
Association
One of the World's Great Life Insurance Institutions. Renowned for Strength, Service and Security Since 1871.

The
WAWANESA
Mutual Insurance Company
Assets Exceed ... $2,600,000.00
Surplus 1,330,363.89
Dominion Govt.
Deposit exceeds 1,000,000.00
Wawanesa ranks 1st against all Companies operating in Canada on Net Fire Premiums Written according to Dominion figures for 1939.
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton.
2,000 Agents Across Canada

FIDELITY
Insurance Company
of Canada
TORONTO

The Independent Order of Foresters
The Certificates issued by The Independent Order of Foresters furnish a wide range of insurance protection, and associated with membership there are valuable fraternal benefits.
Mortuary Benefits, Sick Benefits, Disability Benefits, Old Age Benefits, Automatic Non-forfeiture Privileges, and Certificates maturing at ages sixty and sixty-five.
ASSETS OVER $44,000,000.00
FRANK E. HAND, Supreme Chief Ranger
Head Office: - - Toronto, Canada

Build a Life Insurance estate now to provide for those days when earning power is past.
940
Northern Life
Assurance Company of Canada
Established in 1897 Head Office: London, Canada

THE
Dominion of Canada
GENERAL
Insurance Company
Established 1887
Fire Casualty Life

CONTINENTAL LIFE
FOUR SQUARE
Four Square Security . . .
Providing
Immediate Protection and Future Independence at Low Cost.
A CANADIAN COMPANY
ESTABLISHED 1899
President JOHN W. HOBBS
Managing Director NEWTON J. LANDER

It happened
Fifty Years
ago

Organized by a small group of business and professional men, on October 15th, 1890, The Excelsior Life Insurance Company opened its doors for business.
• • • • •
It was in the days before electricity brightened our homes, before the automobile and the telephone became part of our everyday lives.
• • • • •
Today, the Company has over $125,000,000 of Life Insurance in Force, serves all Canada through Branch Offices strategically located from coast to coast, and enjoys national respect and confidence.
1890-1940 GOLDEN JUBILEE
A STRONG CANADIAN COMPANY
HEAD OFFICE—EXCELSIOR LIFE BUILDING
THE EXCELSIOR LIFE INSURANCE COMPANY

Fire and Casualty Insurance

War Expands Business Risks

More Active Operations Suggest Need of Public Liability Insurance

Increased activity in business and industry under the stimulus of war is directing attention in insurance circles to liability insurance. While many merchants and manufacturers realize the possibility of claims of various kinds being made against them, others give it little thought until they are met by a bill for damages. As business becomes more active the risks of accident increase and with them the possibilities of claims for damages.

In Retail Store

Take the average moderate sized retail store for instance. How many people enter it in the course of the day? In a business year of 300 days a good many thousands go in and out. If one of them should slip on the floor, fall down stairs or trip over a box, the cost of settling for a broken hip or a dislocated shoulder may run into many times the cost of a premium.

Take empty boxes piled outside a store, as they sometimes are. If a group of boys playing around cause them to fall they may hurt somebody and a claim for damages against the storekeeper may result.

Then there are the approaches to the building for which the occupant is responsible. In the winter ice and snow accumulate. If somebody falls and breaks a leg he will likely present a bill for damages.

But there are various other hazards to which the individual businessman may be liable depending on the nature of his business.

In a case on record a man and his wife in the course of a motor journey stopped at a hotel for lunch. Owing to the nature of the food supplied, the wife was taken ill with food poisoning. Action was brought by her against the hotel proprietor on the ground that there had been a breach of the implied warranty that the food supplied was for human consumption. The court held that there was an implied contract between the wife and the proprietor and that she was entitled to damages for its breach.

Another instance is that of a lady who, eating a piece of bread in her own home, found part of a broken needle which pierced her gum. She was able to prove what baker had supplied the bread and threatened to take legal action which was, however, averted by the bread company making compensation.

Manufacturer's Responsibility

In these cases liability arose through the principle in law that there is an implied warranty that a manufactured article placed on the market for consumption or use is suitable and safe for the purpose for which it is intended. If it is proved that it is not or if for any reason it becomes unsafe or dangerous then the manufacturer producing it is liable.

In legal terms the manufacturer is liable for bodily injuries including death caused by the "possession, consumption, handling or use away from the insured's premises of any merchandise or product manufactured, sold, handled or distributed by the insured and due or alleged to be due to defect in the manufacture of such merchandise or product or in the preparation of same for sale or distribution."

The two instances given show how claims for damages are liable to be made whether the injury is sustained on the premises of the manufacturer or distributor or some place else.

Accordingly it is necessary that if the individual is to be properly protected by insurance his contract says definitely that the coverage is good no matter where the damage is sustained.

This type of insurance is known as manufacturers product insurance.

Then there are, of course, other claims that a businessman may receive for damages done by an automobile belonging to him or driven by one of his employees on his business.

Protections against all such hazards can be had through one policy.

One Policy Covers All

The immediate need for insurance lies in the fact that for many years the public has been claim conscious. For any kind of mishap they think they have a claim against some other party who may or may not have been responsible for the incident.

Even if the party against whom the claim is made is blameless it may cost him quite a sum in legal fees to prove innocence. The insurance policy, however, will take care of the lawsuit as well as the damages if there should be any.

Fewer Incendiary Fires In Ontario Industry

Only two incendiary fires occurred in Ontario in the 12 months of war, Oct. 1 1939 to Sept. 30, 1940, according to W. J. Scott, Ontario Fire Marshal, in a bulletin just issued. This is only one fifth of the number in the 12 months preceding.

One of the two was in a children's wear factory in Toronto in Oct., 1939, and one in a cheese factory in Stormont County in June, 1940. The origin of these fires, Mr. Scott states, had nothing to do with the war. In the whole war period to date, he adds, no instances have been reported of loss to industry by sabotage fires or explosions. The figures, according to the fire marshal, can be taken as accurate, as many more investigations than usual have been made into industrial fires, due to the possibility of sabotage.

Loss For 12 Months Up

The industrial fire loss, however, in the 12 months under review at more than $1 million shows an increase of $71,000 over the 12 months preceding. The number of fires was 288 against 390 and the insured loss $982,000 against $770,000.

The increase for the 12 months occurred in the quarter ending Sept. 30 when there were two large fires at Brantford. One was a canning factory with a loss of $275,000 and the other a roofing factory of $60,000.

Greater Activity

The increase in industrial fires, Mr. Scott states, is not so startling when the greatly increased industrial activity and the greater fire hazards are considered. As an indication of the increased industrial activity he cites the increase of 21% in Ontario manufacturing employment figures as at August 1, 1940, compared with 1939. He sees it, however, as an argument for more fire prevention work and better fire prevention facilities.

Fires in chimneys and flues, the report states, have decreased to almost one third of the 1939 figures, those due to hot ashes and coals to one fifteenth and careless smoking fires to one twentieth of those in 1939.

Moderate Upturn In Prices Seen

Higher Taxes is Cited Among Factors Pointing to Commodity Rise

Higher taxes were among the factors which sooner or later would force commodity prices to higher levels, Julian G. Davies, purchasing agent and treasurer of the N. Slater Co., Hamilton, Ont., told the business conference of the Canadian Purchasing Agents' Associations in Toronto.

The law of supply and demand, he believed, would also have an effect in the next year or two, in spite of artificial restrictions. At present, he said, commodities fell between wheat, of which there is an embarrassing surplus, and aluminum, of which there was not enough for both war and civil needs.

Government control, he felt would act as a governor on the price situation.

Other factors tending to affect commodity prices he mentioned were ocean transport difficulties, higher war risk insurance rates, exchange movements, and the possibility of inflation.

If Japan comes actively into the war, he said, acting with the other enemy powers she might greatly increase the difficulty of getting tin, rubber, burlap, jute, etc.

Robin Hood Aids Soldier Workers

Robin Hood Flour Mills Ltd. announces the following provision for employees called up for military training.

To those who are in full-time military services and have certified dependents, the company will pay the difference between army pay plus allowances and the earnings of the employee at the time he leaves the company for military service. In the case of those who have no dependents, the pay supplement will represent the difference between army pay and allowances and three quarters of their earnings at the time of departure.

To the men who are already members of the non-permanent active militia and to those who will be called up as trainees, the company will give full pay for the first 30 days in training camps and thereafter a pay supplement the same as to those who are in full-time military service.

The company is undertaking to return any employee who is away temporarily in training camp to the same job he left, and to those who go into full service the company guarantees jobs after a man is mustered out.

For purposes of seniority, the time spent in military service will be considered as having been spent in the company's employ.

New Member Montreal Exchange

From Our Own Correspondent

MONTREAL.—Major N. H. Macaulay, senior partner of Hansons & Macaulay, has been selected a member of the Montreal Stock Exchange.

Gordon S. Harrower, who until recently represented the firm on the floor of the Exchange, has joined the Royal Canadian Air Force.

Housing Act Loans Drop Sharply

Continuing the decline of the past few months, house building financed under the National Housing Act in September was only half the volume in the same month last year, and Home Improvement Plan loans for dwelling renovation showed a drop of 60%.

Housing Act loans approved in September amounted to $1.1 million for 372 housing units, compared with $2.2 millions for 696 units in September, 1939. However, the number of new applications for loans received during the month showed increases over both September of last year and Aug., 1940.

Grand Total $63 Millions

Cumulative total of Housing Act loans in the past five years now stands at $62.6 millions, reflecting an increase of $19 millions during the past year.

September total of Home Improvement loans was slightly over $1 million, compared with $1.6 million in the same month a year ago. Cumulative total of loans under the H.I.P. since the end of 1936 stands at $47.5 millions, covering 119,230 loans.

Fire Insurance and Allied Lines
AGENCY INQUIRIES INVITED
NATIONAL RETAILERS
MUTUAL INSURANCE COMPANY
SERVICE SAVING SECURITY
Vernon C. Smith, Chief Agent
Concourse Building, Toronto

EST. 1825
THE
STANDARD LIFE
ASSURANCE COMPANY
maintains
Assets in Canada
greatly in excess
of the reserves
required by the
Canadian Government
Established in Canada 1833
HEAD OFFICE: 3 GEORGE STREET, EDINBURGH
HEAD OFFICE FOR CANADA: 391 ST. JAMES STREET, MONTREAL
Branch Offices are maintained in the following Cities:— TORONTO, LONDON, OTTAWA and HAMILTON, Ont., MONTREAL, P.Q., FREDERICTON and SAINT JOHN, N.B., HALIFAX, N.S., and VANCOUVER, B.C.

Life Insurance

Income Policy Meets Demand

Family Benefit Contracts Popular With Men of Non-military Classes

Since the outbreak of war the family income type of insurance policy has gained popularity, especially with the man who does not expect to engage in military service out of the home areas.

If he should go out of Canada or the United States on military or naval service or engage in the air service, the war clauses of the ordinary life policy would, of course, apply.

But there are many men who, because of age or some other reason, do not expect to be affected by the war clauses even in new policies they may take out. A large proportion of these are men of mature years with young children. These men, wishing to provide an adequate income for their families in case of death, find the family income contract attractive.

Reasons for Popularity

In ordinary times this contract is popular because:

It ensures a stated income for a definite period after death.

It cannot be commuted or taken as a lump sum.

It relieves the beneficiary of the worry of finding suitable investments.

In the difficult war period this last feature makes it specially attractive and is expected to make it even more so in the post-war period.

The terms of the benefit vary in minor particulars in different contracts, but in general the terms are these:

If the insured should die within a period of 15 or 20 years of the date of the policy or before age 60 or 65, according to the plan selected, the company will retain the proceeds of the policy and pay the beneficiary a monthly income of $10 for every $1,000 of insurance up to the end of the 15- or 20-year period or to the date when the insured would have been 60 or 65 had he lived. At that time the beneficiary receives the total proceeds of the policy.

Man Aged 25

Take as an example a man aged 25 who buys a policy with the family income benefit attached.

Say the policy is for $1,000 and the family income benefit is for a term of 15 years. If he dies at 26 the company will in the meantime retain the proceeds of the policy, that is the $1,000. It will, however, pay the beneficiary $10 a month for the next 14 years or $1,680 in all. At the end of that time it would pay the $1,000 in a lump sum to the beneficiary. In this case the total amount paid out under the family income contract would be $1,680 plus 1,000, or $2,680 in all. But if the insured did not die until say 37 then there would be only three years of the 15-year period left. For those three years the company would pay $10 a month or $360 in all. Then at the end of the three years, which would also be the end of the 15-year period, the company would pay over the face value of the policy, making a total of $1,360 paid under the policy.

At Age 60 or 65

In contracts which extend the time of payment of the income benefit until the insured would have reached 60 or 65, it would work this way:

Say the man in this case was also 25. If he died at 26 the company pays the monthly benefit for the next 39 years. At the end of that time it would, in addition, pay the face value of the policy in a lump sum. But if the insured did not die until he was, say, 58 the company would pay the monthly income only for seven years, or until the insured would have been 65 had he lived. It would then pay over the face value of the policy as a lump sum. If he lived until he was 65 or over there would be no monthly benefit paid.

The advantage of this for the man with a family of young children is that while they are small it provides a definite income, much larger in fact than could ordinarily be obtained by any safe investment from the capital amount of the policy. If a man dies in the early years his beneficiaries get more, while if he lives until the end of the term stated, he will get nothing under the family income benefit. But meanwhile he knows his family is protected.

This family income benefit is available by payment of an extra premium, varying according to the age of the insured and the type of contract selected.

Power Supply Up 325,000 h.p

New Installations This Year Will Boost Total to 8.6 Million H.P.

From Our Own Correspondent

MONTREAL.—Canada's supply of installed water power will be increased by 325,000 h.p. during the current year, bringing the total development to more than 8.6 million h.p., according to figures released by the Federal Department of Mines and Resources.

At the present time, big installations are being carried out in British Columbia, North West Territories, Ontario and Quebec.

At Upper Bonnington Falls, B.C., power development is being raised to 84,000 h.p., an increase of 50,000.

In the North West Territories a 4,700 h.p. unit has been installed between Resolution and Blue Fish Lakes in the Yellow Knife gold-mining area.

In Ontario the South River Electric Co. has added 380 h.p. to its plant near South River, but the really big developments have come in Quebec.

At Beauharnois, 25 miles west of Montreal, on the St. Lawrence River, two new units are being added to raise development there by 106,000 h.p. to 583,000 h.p.

At LaTuque, P.Q., the St. Maurice Power Corp., jointly controlled by Shawinigan Water and Power Co. and Brown Corp., started operations last month and by the end of the year will have 178,000 h.p. available.

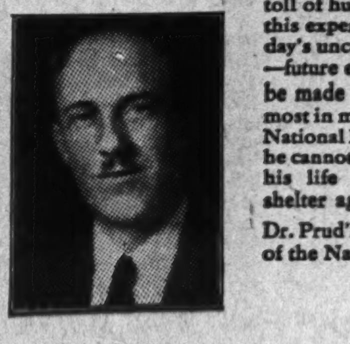
In emphasizing the importance of water power in the nation's war effort, the Department points out that it would take approximately 40 million tons of coal annually to produce the power Canada's rivers provide by water.

Aircraft Engine Order Creates New Industry

Production of 9,000 Rolls-Royce aircraft engines, undertaken by Packard Motor Car Co. on joint British and U. S. orders, requires establishment of virtually a new industry functioning independently though parallel with regular auto manufacture, according to M. M. Gilman, president of Packard. Two thirds of the engines are to be made for Britain and some possibly will be used in Canadian-made aircraft.

Machines and methods for output of auto engines do not serve for air or marine motors, said Mr. Gilman, and must be operated entirely apart from such defense projects.

Because of the necessary separation of the two types of operation, and the increased demand for new cars as a result of government outlay for war equipment, there is no foundation for rumors of curtailed production of 1941 car models, Mr. Gilman declares. On the contrary, his company has set an increased production quota of 115,000 cars for the 1941 model year.



"My National Life Policy is Secure Financial Protection in an Uncertain Future . . ." says Dr. Eugene Prud'homme. As a medical man, Dr. Prud'homme daily sees vicissitudes and calamities taking their toll of human life and wealth. Through this experience he has learned that each day's uncertainties must be provided for—future economic independence MUST be made certain. With this fact uppermost in mind Dr. Prud'homme became a National Life policyholder. Now, though he cannot see what tomorrow will bring, his life insurance provides a secure shelter against future financial worries.
Dr. Prud'homme has been a policyholder of the National Life since 1935.
Eugene Prud'homme, M.D.
—prominent Montreal doctor; graduate of the University of Montreal; Registrar of the College of Physicians and Surgeons of the Province of Quebec. Doctor Prud'homme, who has been practicing medicine since 1922, says his work leaves him little time for amusement. His hobbies are music and literature.
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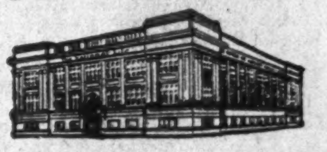

Mutual
Selection

IN FIRE INSURANCE, ONLY CAREFUL SELECTION OF EVERY PROPERTY CAN PROTECT ALL
Careful selection of properties and owners is the root of this company's enviable record of policyholder benefits.
The selective character of Northwestern policyholders results in substantial annual savings, which under the mutual plan are returned to the policyholder. Last year these savings amounted to $1,531,487.
Applications For Agencies Invited
NORTHWESTERN MUTUAL FIRE ASSOCIATION
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THE JANITOR likes
DOMINION
Battleship
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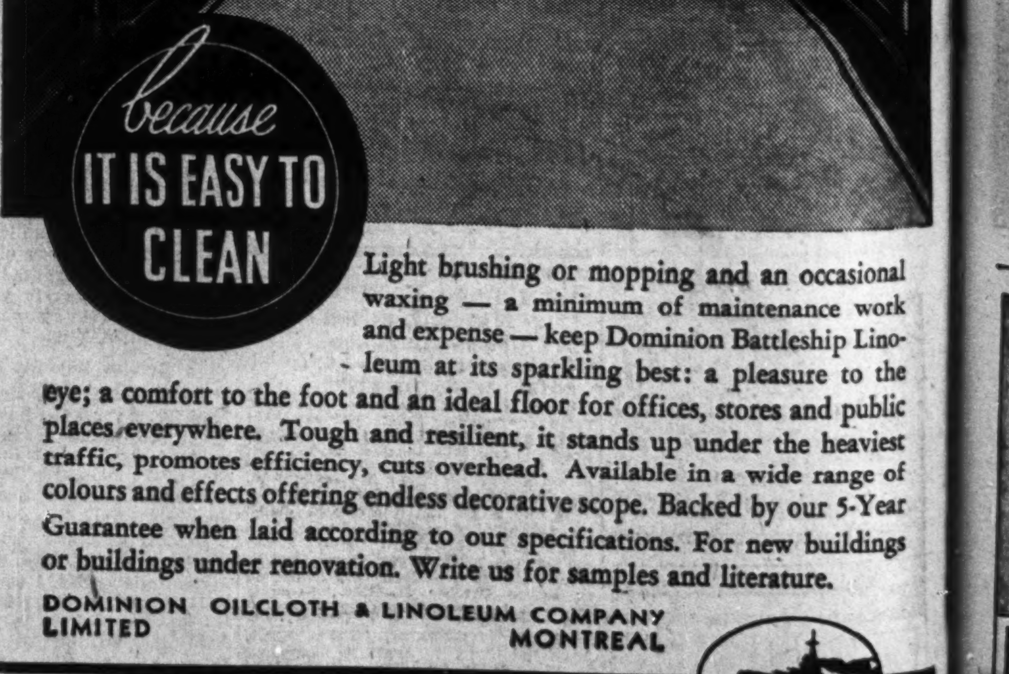

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MONTREAL
HOW MUCH OF YOUR OVERHEAD IS... UNDERFOOT?

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$2.50 SENDS 1,000 "BRITISH CONSOLS" "EXPORT" or "LEGION" Cigarettes
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SOLDIERS IN CANADIAN ACTIVE SERVICE FORCE
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Overseas Dept., W. C. MACDONALD, INC., Box 1929, Place d'Armes, Montreal, Canada
Offer subject to any change in Government Regulations
CHRISTMAS parcels should be mailed before November 10th.
SEND THE BOYS THE BEST

Envelopes
for every purpose
Barber-Ellis of Canada, Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

To The Travelling Public:
HOTEL LONDON
London, Ontario
Rates for Rooms as Follows:—
Single room without bath, $2.50; running water and toilet.
Single room with shower, $2.75.
Single room with bath, $3.00.
Single room with tub and shower combination, $3.50.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $4.50.
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Twin bedrooms with tub and shower combination, $5.50.
Soliciting your appreciated patronage,
H. F. STRUCKETT, Manager

EXPERIENCED TRAVELLERS
CARRY MONEY SAFELY
Canadian Pacific Express
TRAVELLERS CHEQUES

Buy War Savings Certificates and War Savings Stamps

FROM small beginnings, Canada's manufacturing industry has grown to impressive proportions and the growth continues. The capital invested in Canadian manufacturing plants is represented in many instances by bonds and stock certificates engraved and printed by this company.

BRITISH AMERICAN BANK NOTE COMPANY
LIMITED
The Old Canadian Company
Established 1866
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HEAD OFFICE: OTTAWA
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Banking Service
1817 - 1940
BANK of NEW SOUTH WALES
Head Office: Sydney, Australia
General Manager: SIR ALFRED DAVIDSON, K.B.E.
Assets of £130 millions.
Over 900 branches in Australia, New Zealand & Pacific Islands.
London Offices at
29 Threadneedle St., E.C.2.
and at 47 Berkeley Square, W.1.
Agency arrangements with Banks throughout Canada.

Recognized Throughout Canada as Manufacturers of Quality Products
Penmans
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KNITTED PRODUCTS
OUTERWEAR
UNDERWEAR
HOSIERY

Banking

Bank Deposits Show Greater Activity

War Expansion in Trade and Industry Requires Larger Turnover of Money — Larger Payrolls Mean Many New Depositors

With the expansion in Canadian trade and industry in recent months owing to the war there has been a more rapid turnover of money including bank deposits. This has been reflected in the increase in bank debits into individual accounts. It has also been reflected in the change in savings deposits which, as indicated by the month-end figures in the regular monthly statements, have been showing increases one month and decreases in another according to the varying circumstances.

For over a year previous savings deposits had been showing an almost uniformly upward trend. In February last, however, the month-end figures fell below the total for January and February in 1939. Since then the showing from month to month has varied. In the six months from March to August inclusive, four have shown gains over the previous months and two declines. Compared with the corresponding months a year ago, however, declines have been consistently shown.

Factors Responsible

There have been a number of factors responsible for this. In February the payments on the first war loan were made. This resulted in many millions of dollars in the savings accounts being loaned to the Government which immediately deposited them in its current account. Thus while there was a decline in the public savings deposits of the banks it was offset by an increase in the govenment deposits.

Another factor affecting public deposits was the increased use of capital in industry. Many large industrial firms had had considerable money on deposit with the banks, some of it in interest bearing accounts, it is understood. As business became more active and more capital was needed, these firms, instead of borrowing, withdrew their own money.

Then again foreign governments and private interests which had had money on deposit with the banks for the purpose of war supplies or for use in emergency began to use their funds.

The sale of war savings certificates and stamps also absorbed a proportion of peopls' savings in recent months.

Subsequent Rise

As will be noticed in the accompanying table, savings deposits after declining in February increased in March and April, declining in May and June and again rising in July and August.

Savings Deposits
(Millions of dollars)

	1940	Change from prev. month	Change from 1939
Jan.	1,750.4	+9.4	+83.0
Feb.	1,658.9	—91.4	—31.8
Mar.	1,661.1	+2.1	—39.2
Apr.	1,671.5	+10.3	—35.4
May	1,643.0	—28.4	—35.2
June	1,608.8	—34.2	—71.5
July	1,612.5	+3.6	—84.6
Aug.	1,634.4	+21.8	—67.4

Demand Deposits
(Millions of dollars)

	1940	Change from prev. month	Change from 1939
Jan.	847.5	—5.4	+147.7
Feb.	765.5	—81.5	+75.2
Mar.	749.5	—16.0	+44.3
Apr.	832.5	+82.0	+116.9
May	816.9	—15.6	+132.6
June	821.2	+4.2	+118.9
July	851.3	+30.2	+157.3
Aug.	877.4	+25.9	+172.2

Another factor which affected the totals in May and June was the withdrawal of funds by a few people who feared that war financing and the talk of mobilization of wealth might mean confiscation. When it was realized these fears were groundless these withdrawals stopped and are gradually being replaced.

The gains in July and August are partly due to this replacement, also to the increased earnings of a large section of the population.

The larger payrolls due to production of war supplies is building up a new lot of depositors. Many people who before were unemployed or drawing a very small wage are now earning well and able to make regular deposits in the banks.

These deposits in turn will be loaned either to the Government or to industry for the war programme.

Saint John Calling!
It's the Admiral Beatty—the official AAA hotel. 250 fireproof rooms from $2. single, $3. double. Modern cafeteria. AAA garage.
The ADMIRAL BEATTY
SAINT JOHN, N.B.

Weekly Statement Bank of Canada

An increase of $1.6 million in note circulation shown in the statement of the Bank of Canada for the week ended Oct. 9 brings the total to $336.7 millions, a new high.

Total deposits of the Dominion Government were $7.8 millions higher at $25.7 millions while deposits of the chartered banks were $6.8 millions lower. The changes probably represent interbank transactions in connection with the recent war loan.

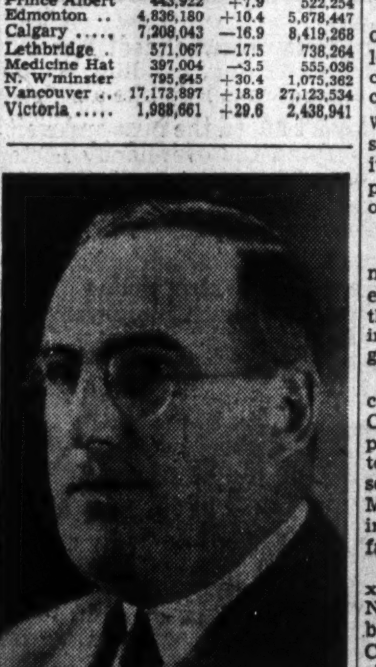
On the assets side, reserves of sterling and U. S. exchange were $2.6 millions higher at $22.9 millions, possibly reflecting sterling balances for war supplies furnished to Great Britain.

Balance Sheet

Liabilities	Oct. 9 1940 $	Oct. 2 1940 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	336,732,077	335,121,155
Rest fund	2,449,756	2,449,756
Depos.: Dominion	25,677,324	17,946,682
Bank	217,840,475	223,739,370
Other	4,504,825	4,134,273
Total deposits	248,022,623	245,820,327
All other liabs.	6,459,418	9,654,839
Total liabs.	598,663,874	598,046,077
Assets		
Reserve:		
In sterl'g. & U.S.	22,950,511	20,335,671
Subsidiary coin	373,508	306,731
Advances to banks	2,000,000	3,000,000
Investments:		
Dom. Gov. short	420,884,436	422,380,191
Other Dom. Gov.	143,321,462	153,086,753
Total invest.	564,205,898	565,466,944
Premises	1,733,499	1,732,625
All other assets	7,400,458	7,204,106
	598,663,874	598,046,077

Weekly Bank Clearings

	Oct. 10 1940 $	Change yr. ago %	Oct. 3 1940 $
Halifax	3,326,747	+52.5	3,804,346
Saint John	2,168,889	+39.1	2,627,772
Moncton	889,736	+26.1	1,033,696
Sherbrooke	857,033	+24.9	1,090,818
Quebec	5,298,949	+16.3	6,253,910
Montreal	89,324,186	+16.1	168,058,578
Ottawa	40,179,937	+114.4	41,164,152
Kingston	805,627	+48.4	852,278
Peterborough	698,754	+12.0	772,308
Toronto	101,378,691	+27.0	177,187,874
Hamilton	5,545,840	+15.5	7,803,374
Kitchener	1,121,984	+16.9	1,327,509
Brantford	1,046,282	+21.4	1,491,315
London	2,580,328	+15.2	4,941,140
Chatham	645,994	+22.7	899,216
Windsor	2,794,905	+56.7	3,435,285
Sarnia	475,086	+14.0	522,061
Sudbury	1,031,472	+3.0	1,171,566
Fort William	805,929	+34.6	1,060,776
Winnipeg	53,077,065	—26.2	80,886,246
Brandon	484,437	+10.4	548,029
Regina	8,250,101	—12.6	11,392,115
Moose Jaw	762,068	+3.9	997,694
Saskatoon	1,979,463	+5.6	2,547,103
Prince Albert	443,922	+7.9	522,254
Edmonton	4,836,180	+10.4	5,678,447
Calgary	7,208,043	—16.9	8,419,268
Lethbridge	571,067	—17.5	738,264
Medicine Hat	397,004	—3.5	555,036
N. W'minster	795,645	+30.4	1,075,362
Vancouver	17,173,897	+18.8	27,123,534
Victoria	1,988,661	+29.6	2,438,941



SUPERVISOR

A. F. McAlpine, manager of the Royal Bank of Canada at Halifax, has been appointed Winnipeg supervisor. Before going to Halifax, Mr. McAlpine was manager at Saint John, N.B., having previously been manager at Brantford, assistant manager at Hamilton and accountant at Montreal. He joined the bank's staff at Sydney, N.S., in 1913 and served overseas in the last war. He will be succeeded at Halifax by E. G. MacMinn, manager at Sydney, N.S.

Storekeeping in War

(Continued from page 11)

A factor was this year's heavy promotion of Father's Day in June. The volume of men's wear sold on this occasion this year was the heaviest of any period except Christmas.

Other merchandising groups, in the order of increase, are shown in the following table:

*Index Numbers of Retail Sales
Average 1930 = 100
12 Months Ended Aug. 31

	1940	1939	Incr %
Music & radio	75.7	63.5	19.2
Furniture	91.5	78.1	17.2
Dept. stores	85.2	75.6	12.7
Women's clothing	79.0	70.1	12.7
Variety stores	104.3	92.6	12.6
Men's clothing	83.6	75.8	10.3
Boots & shoes	77.5	71.3	8.7
Hardware	91.9	84.8	8.4
Drugs	94.5	89.7	5.4

*Based on Dominion Bureau of Statistics figures.

Individual companies in most cases report substantial gains. Sales of Simpsons Ltd., for instance, jumped 17% in the first eight months of the year, compared with the same period of 1939. C. W. Lindsay & Co.'s June sales were ahead 70%, while figures for the first four months of the year were ahead by 34%. Stedman Bros. business this year has been the biggest ever. Tamblyn's volume in the first six months of the year was ahead over 3%, while the jump in the third quarter was even greater. Tip Top Tailors eight months busness was well ahead of last year.

Supply Is Major Problem

The major problem of wartime probably has been the maintenance of sources of supply for a wide variety of lines. European shipments are cut off for the most part, although goods continue to trickle through even from Fascist-encircled Switzerland, Spain and some of the Balkan countries. Special problems have been created on English supplies.

Merchandisers and importers are unanimous in the view that shipping service is not only better than expected, but almost normal. Not a company interviewed reports the loss of more than one shipment.

Maintenance of shipping in the future, however, depends largely upon what success the Germans have in destroying English production. The immediate enemy campaign does not seem to be aimed at shipping, but rather at the source of manufacture. Costs of all English goods have increased because of higher shipping and cargo insurance rates.

Every effort is being made by the United Kingdom Government not only to maintain, but to increase trade with Canada. This is important in providing much needed foreign exchange.

Goods no longer available in Europe are being replaced largely from British and U. S. sources. In the latter case, the immediate effect is a 21% price increase, due to the adverse exchange situation and 10% import duty on non-Empire goods.

Drugs Hardest Hit

The drug trade probably has been hardest hit as regards sources of supply. Olive oil from France and Italy is difficult to replace—maybe impossible. Inferior grades are available in Spain, Greece and California, but quantities are small and demand large. A substitute was made from peanut butter in the last war, and it probably will come to that again this time.

Cod liver oil from Norway has been cut off. No other source is immediately available, but plans are well under way to start production in Nova Scotia. A normal supply is expected to be available during the coming winter, with 40 plants built or under construction. Ottawa has found the problem of sufficient importance to appoint a special oils administrator to the Wartime Prices and Trade Board to keep a closer check on prices and supplies of cod liver oil and all fish and vegetable oils.

French perfume is still to be had from stocks obtained before the collapse of France. The same quality probably is not available elsewhere, and it remains for the freeing of France to re-establish this supply. The United States has been producing perfumes with a French process, but Canadian merchandisers report it has barely appeared in their stores. Loss of the French supplies, however, will probably increase the demand.

Major adjustments have been necessary in the sources of ladies' and men's clothes. Britain has always been a big shipper of higher-priced goods. Main sources of stylewear gowns, coats and suits for ladies was France; neckwear, expensive fabrics and gloves, Czecho-Slovakia, Italy, Belgium, France and Germany.

There has been no difficulty in obtaining English supplies of woollen textile goods—men's socks, suit cloth and the famous brand topcoats; women's dresses and sportswear. The demand of the armed services for wool, however, has initiated a trend away from the pure product and in some cases, cotton or rayon is substituted.

Fashion an Orphan

Fashion has become an orphan, but maybe not for long. Many designers have escaped from France, and their work is beginning to appear in British and American produced gowns and coats.

Elsa Schiaparelli, leading Parisian couturiere, has arrived in America. Chanel, Molyneux and others are reported to be in London. Rodier, the textile house, is rumored organizing somewhere in South America. Even Montreal promises to play a part in this re-establishment of the fashion world.

Some British manufacturers, anxious to preserve and expand their North American business, have banded together to organize sales in Canada and the United States. Missions already have arrived from the shoe, ladies' dress and light leather industries.

Biggest loss in hats from Europe was the Borsalino for men from Italy. One large Canadian department store reports it has been necessary to store this line, as customers are definitely boycotting Italian goods and are resentful at even seeing it on display.

Readjustments for Leather Goods

Enemy countries formerly supplied fancy leather goods—ladies' bags, book covers, etc. Hand bags from Britain are hard to get, as the frames traditionally came from Germany. British prices advanced so sharply in some cases that United States sources are being drawn upon.

Imports of good shoes from the United Kingdom have increased, while the loss of cheaper women's shoes from Czecho-Slovakia is being made up from Canadian sources.

No More Linen?

Little if any new pure linen can be expected until flax is available again from the Baltic and Low Countries. Only a small portion of the flax used in the Irish industry can be obtained from other sources.

As the supplies become less, more and more cotton will be used to make towels, handkerchiefs, tablecloths and bed linen.

The new fibre, nylon, promises to be a valuable substitute for flax, but demand so far has exceeded the supply, and it is not being used yet in the manufacture of linen. Silk from Japan for stockings and lingerie is depended upon less and less with the development of synthetics. One of the larger Canadian manufacturers ceased using silk and changed over completely to rayon about a year before the war.

Chinaware from France, Czecho-Slovakia and Germany is being replaced with English goods, while a new factory has been established in Canada to augment this supply. Shipments from England are often delayed, due to the demand of skilled china-workers for essential war industries.

Cutlery supplies from Britain have fallen off. This is due primarily to the requisitioning by the Government of all supplies of stainless steel.

Must Adjust Tastes

Only the finishing of famous English brands of pipes was done in the United Kingdom. The brier root is grown in Turkey, while actual manufacture was done in French plants. Deliveries are reported slow.

U. S. tobacco sources are being utilized more and more, although some still continues to arrive from England. Zig Zag cigarette papers are no longer available, as only source was Bordeaux, France. A machine is being set up in Canada, but production has not started as yet.

A few watches came and still arrive from England, but the major sources have been the U. S. and Switzerland. Shipments from the latter country continue to come through, and payments are being handled through the enemy custodian at Ottawa to prevent the foreign exchange from passing into enemy hands. It is becoming increasingly necessary, however, to call upon U. S. sources. Improvement in quality is in prospect, as watchmakers from encircled Switzerland have begun to trickle through the Nazi net to haven in the western hemisphere.

Canadians get some golf balls from England. The supply is being maintained at normal levels, and it is one of the few items to show little if any advance in price.

Novelty jewellery from France and Germany and expensive German cameras have been replaced by supplies from England and the United States.

Japs Boycotted

The major sources for toys—Germany and Japan—are being replaced by United States and domestic factories. Canadians are showing a tendency to boycott Japanese goods.

Garden enthusiasts have replaced Czecho-Slovakian with Californian seeds. Large supplies of tulip bulbs from the Netherlands are on hand in Canada, while some of the tulip farmers to escape before the Nazi invasion have started up in England. Vancouver Island has the right kind of climate and farmers have started growing bulbs.

Problem of Workmanship

Diamonds are mined in South Africa, but here it is a question of workmanship rather than of supply. And about 90% of the world's 11,000 diamond cutters are trapped behind Nazi troops—mostly in the Netherlands.

Carpenters and housewives are affected. Germany used to supply lower grades of table knives and forks, razors and scissors, door hinges and nails, needles and precision instruments, upholstery hardware and locks.

Window glass came in big quantities from Belgium. Enamelware and glassware was supplied from Czecho-Slovakia. Supplies of vacuum cleaners, axes and files have been—and still are coming—from Sweden. The almost complete encirclement of this country has not been successful in stopping shipments coming to the United States and thence to Canada.

The deficiencies, for the most part, have been made up from English, United States and Canadian sources. Such items as precision instruments, requiring fine and highly trained manual work, have been the more difficult to replace.

Retail Prices Advance

D. B. S. figures show that the increase in retail prices has averaged about 5% to 10% for all goods.

Most widely affected are woollen textile goods. The increase in raw wool costs has resulted in retail quotations on woollen goods advancing an average of over 10%. Irish linen already is up about 50%.

Men's shoe prices have advanced about 20% since the outbreak of war, while the figure for ladies' is less—probably not any more than about 15% on the average. Low-price gloves—those selling around 25 cents per pair—are no longer available, and about the cheapest line supplied domestically sells at about 75 cents. Prices on English fancy leather goods — ladies' bags, book covers, etc., jumped so sharply in some cases that U. S. sources are cheaper.

Tobacco is selling about 20% and pipes at least 25% higher. There is a general increase of about 25% on all grades of china, and a 33 1/3% jump in the case of more bulky articles, such as teapots.

Prices of luxury goods have shown the most substantial advances. Smaller diamond stones are selling at three times the pre-war quotation. General advances of about 30% are noted in the prices of all watches. Novelty jewellery is ahead about the same, and cameras have advanced even more—about 30% to 40%.

The problem of labor is a gradually growing one for retailers. This is particularly true in the case of junior clerks—the age group which has been attracted in large numbers to the R.C.A.F. and other armed services. The most serious problem so far is to obtain delivery boys.

Employment figures in the industry are somewhat ahead of pre-war totals. D.B.S. figures of employment in trade—including wholesale and retail—list increases ranging from 2.4% to 4.9% in the eleven months since the war broke out, as compared with the months of the previous year. Index figures of each of the months follow:

Employment in Wholesale and Retail Trade
Index Base 1926 = 100

	1939-40	1938-39	Incr. %
Oct. 1	138.6	134.5	3.0
Nov. 1	140.2	135.6	3.4
Dec. 1	144.7	139.7	3.6
Jan. 1	149.9	144.8	3.5
Feb. 1	136.4	131.0	4.1
Mar. 1	134.9	128.9	4.7
Apr. 1	137.6	131.1	4.9
May 1	138.3	135.1	2.4
June 1	140.7	136.6	3.0
July 1	142.8	137.4	3.9
Aug. 1	141.4	135.5	4.4

Such matters as military training and unemployment insurance, where the individual worker is directly affected, are exceptionally heavy burdens for merchandisers. The proportion of retail help involved is very high, as the manual labor needed to sell $1,000 worth of goods in a store is higher than for other industries.

Another factor is the "excess" profits tax. Many merchandisers had periods of abnormally low business during 1936-39—the base period for computation of "excess" profits. Some companies, however, may get special consideration under the "depressed business" grouping.

Problems Likely Will Grow

Government policy is designed to restrict purchases of luxury goods. This policy already has brought special taxes on automobile tires and tubes, radios and tubes, cameras, phonographs, furs and smokers' supplies.

The labor problem tends to become more onerous with the rapidly increasing demand of direct war industry for workers. Further spreading of the war would likely add to the difficulties of supply—increase the price of goods affected. There is no guarantee, either, that corporation taxation has reached its limit. Unemployment insurance will cut into 1941 earnings, as the present plan is to have the scheme in operation by Jan. 1, next.

Merchandising Companies

Vitally concerned by these varied, shifting factors in the consumer trade picture is the vast structure of Canadian merchandising companies. Those in which there is most public investment interest — aside from food merchandisers, which are outside the scope of this article—are as follows:

Simpsons, Ltd. operates, through subsidiaries, department stores in Toronto and Montreal and a general mail-order business from Toronto, Halifax and Regina. Retail departments are operated in the latter two cities. Major expansion of Toronto, Halifax and Regina mail order facilities has been carried out this year.

The company has shown almost uninterrupted improvement in earnings since 1931. Net profit of $1 million in 1939 was the highest in nine years. Business in the first eight months of 1940 has been 17% ahead of the same period of 1939, and present outlook promises continuation of this trend.

Agnew-Surpass Shoe Stores is engaged in the manufacture and distribution of shoes through a chain of about 79 retail stores in the five eastern provinces. Gross sales of $3.3 millions in year ended May 31, last, were over $500,000 ahead of the previous year. Net profit of $193,717 was the highest on record.

A. J. Freiman Ltd. operates the largest department store in Ottawa and branch stores in Renfrew and Pembroke. The company has been unsuccessful since 1932 in maintaining earnings sufficient to meet preferred dividend requirements. Net profit in 1939 was equal to $5.50 per share on the 6% preferred, $100 par value stock.

Holt, Renfrew & Co. operates retail stores in Montreal, Toronto, Quebec and Winnipeg. It is engaged in the sale of furs and men's and ladies' ready-to-wear clothing, etc. Net profit in 1939 equal to $6.37 on the 7% preferred, $100 par value stock was the highest since 1931.

Hudson's Bay Co. is engaged in the fur trade and operates retail stores as well as having extensive holdings in western Canada lands. A large new department store was completed last year in Edmonton, while additions to the small stores division are being considered. Improvement in retail store operations has not been sufficient to offset the adverse effects of the war on the fur trade. Net profit has declined each year since 1936, and earnings were equal to 5.16% on the 5% preferred stock in the year ended Jan. 31, last.

Legaré Co. operates 36 retail stores in Quebec Province, engaged in the sale of home furnishings, etc. Net profit in 1939 was double the previous year's figure, while further improvement is reported so far in 1940.

C. W. Lindsay & Co. has eight retail stores in Quebec and Ontario engaged in the sale of musical instruments. Extra lines of merchandise, electric refrigerators and washing machines have improved earnings. Earnings, equal to $1.81 on the 6½% preferred stock, in year ended Feb. 29, last, were ahead of the previous year. Further substantial growth in business has been shown since beginning of the current fiscal year.

J. S. Mitchell & Co. engaged in wholesale and retail distribution of hardware and building supplies in eastern Quebec. The company is well established in its particular field. Net profit was equal to $3.86 per share on the common stock in 1939, compared with $3.25 in 1938.

Stedman Bros. operates about 66 retail stores and 120 others under management contracts, engaged in the sale of smallwares throughout Canada. Five of the stores are new ones added this year. Business in the first nine months of 1940 has been at a record high and substantially ahead of 1939, the previous record year. Earnings were equal to $3.60 per share on the common stock in 1939.

G. Tamblyn Ltd. operates about 70 drugstores in Ontario, including five new ones this year. One has been closed. Net profit in 1939 was down slightly from each of the previous two years. Earnings in the first six months of 1940 were 26% ahead of the same period of last year, while an even bigger jump was shown in the third quarter.

Tip Top Tailors Ltd. operates more than 50 retail stores engaged in distribution of men's and women's suits and coats. Its factory also makes uniforms for the Canadian armed services, and is the biggest unit so engaged in the Dominion. An associated company has eight stores and 125 dealers in the United States. Net profit equal to $1.51 per share on the common stock in 1939 was second highest since 1931. Substantial increase in business for the first eight months of 1940 is reported officially, compared with the same period of last year.

Wentworth Radio & Auto Supply Co. operates five stores in Ontario, three in Hamilton, engaged in retail and wholesale sale of automobile and radio supplies. Earnings have remained at an unsatisfactory level since 1931.

Willson Stationers & Envelopes Ltd. operates stationery and office equipment service in eight principal cities of the four western provinces. Net profit in year ended April 30, last, was equal to $6.91 per share on the 5% preferred, $100 par value stock. This compared with $4.89 in the previous year.

Zeller's Ltd. operates 27 variety stores in cities from Halifax to Edmonton. Net profit in year ended Jan. 31, last, was the highest on record. It was equal to $8.44 on the 6% preferred, $25 par value stock, compared with $5.92 in the previous year. Further increase is anticipated in the current year.

EXECUTIVE ASSISTANT

Harry J. Coon, who has been appointed executive assistant of the Bank of Nova Scotia. He has held various positions including inspector, manager investment department and supervisor of branches.

I'm Sorry, You Can't See Mr. Jones, He's in Conference!
Mr. JONES
Is that so? What kind of a Conference is this?

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Week in Mining

Five New Gold Finds In Ontario This Year

Sharp Contrast to Situation Last Year When New Discoveries Were Practically at a Minimum — Further Yellowknife Finds

Although fewer men have been in the prospecting field in 1940 than in years immediately preceding due to the war, this year has seen no less than five new gold discoveries in Ontario resulting in widespread staking of claims. The situation contrasts sharply with last year when finds were limited to just one or two.

Ontario's five 1940 gold finds have been distributed over a wide area. Two of them are in the Sudbury area; the Missanabie sector where Macassa is reported to be securing indications of a low grade mine; and the Horwood Lake field where Hollinger is said to have turned up some interesting showings. Northern Canada Mines discovery in the Savant Lake area, 60 miles from Sioux Lookout, has attracted great publicity and mining hopes are running high in this section. More work will be necessary to determine possibilities, however.

Albany River Newest

Hardly had first news of Savant Lake's find been digested than a new find by Goldale and Birch Lake, in the Fort Frances area, northwestern Ontario, was revealed. This find resulted in staking 10 miles between the Goldale-Birch Lake find and Straw Lake Beach Gold Mines.

The fourth Ontario gold find lies in the Albany River basin in the Fort Hope area of Ontario. The find is relatively new and full details are not yet available. According to Dr. M. E. Hurst, provincial geologist, however, a number of claims have been located in the area with several discoveries of gold reported.

* * *

Yellowknife Active

Outside of Ontario numerous new gold discoveries have been reported from the Yellowknife area where the scale of mining operations has been extending despite the war. Between Great Slave Lake and Great Bear Lake a discovery of gold has been made by Mercury Gold; several promising veins have been disclosed in this area.

Manitoba has perhaps led the way in the war metal prospecting field. Several manganese discoveries have been reported while tungsten showings in the Herb Lake area are again being reviewed. Ventures, God's Lake and Central Manitoba Mines have staked over 200 claims in the Bird River area, where there are showings of tin which have commercial significance.

In British Columbia prospectors have been active in the search for cinnabar (mercury), antimony, molybdenite and other "war metal" deposits and a considerable number of properties have recently been staked.

* * *

Prospectors Seek Aid

The Northwestern Quebec Prospectors' Association is out to secure a "new deal" for prospecting in the Province of Quebec. Suggestions advanced by the association at Noranda to Hon. Edgar Rochette and A. O. Dufresne, minister and director of the Quebec Bureau of Mines, respectively, include a proposed tax rebate for producing mines, making it possible for producers to reclaim from the Government half the money put into prospecting and preliminary new mine development outside their own properties. According to the proposal as presented, there would be an agreed maximum in such cases.

The same type of plan, it is suggested, could be adopted for individuals and syndicates and companies which are operating on undeveloped ground. This would be done through acreage and corporation taxes, it is stated.

* * *

Hit "Red Tape"

The association claimed there was too much red tape in the matter of securing patents after ten years assessment work and also in registration and selling of securities.

Mr. Rochette gave his assurance that the prospector would be aided. The Quebec Bureau of Mines, he stated, "is very much concerned about the situation of prospecting and we are trying to arrive at some method by which it can be aided. You may be sure that we are going to work hard on plans to aid prospecting."

* * *

New Power Supply

Quebec mines are due to get a large new supply of electric power next summer. Constructed by the Quebec Government on the upper reaches of the Ottawa, a new power plant comprising three units giving a total of 50,000 h.p., is now well on the way to completion.

This development is located 425 miles north of Montreal on "Rapids No. 7." Where there was only wilderness back in 1938, a comfortable village of 800 workers is now found. To date the workers have put in 75,000 cu. yds. of concrete and 75,000 tons of crushed rock.

Teck Increases Lamaque Asset

Profit for Year Up 13% As Shown by Preliminary Statement

During the year ended Aug. 31, 1940, an additional 80,000 shares of Lamaque Gold Mines were acquired by Teck-Hughes Gold Mines, bringing the company's holdings to 2,224,000 shares. Cost of the additional shares was $495,760 or $6.20 a share.

Due to increased investment in Lamaque shares, working capital position of the company at $2,860,919 on Aug. 31, 1940, showed a decline of approximately $400,000 from a year previous in spite of higher profits.

Profit Near Estimate

Final net profit for the 1940 fiscal year amounted to $2,293,558, close to the estimated figure reported a short while ago. It represented an increase of 13% despite higher taxes. Earnings per share were 47.7 cents.

Ore reserves at Aug. 31, 1940, showed a decrease of 4.1% in tonnage and 6.7% in gold content from the end of the previous year. Reserves were 515,197 tons, averaging 5.85 dwts. a ton. (A dwt. is equal to $1.75 at $35 gold.)

On the basis of the 337,430 tons of ore milled during the 1940 period, ore reserves are sufficient for over 1½ years' requirements. New ore was found on various levels and chiefly in branch veins in 1940, it stated.

At the end of the year diamond drilling was being continued on one of three properties optioned. Further work was considered warranted.

Income and Surplus Account
Years Ended Aug. 31

	1940 $	1939 $
Bullion production ..	3,605,277	3,401,059
Less: Devel. & mining	1,313,344	1,434,628
Milling	314,070	355,720
General expense ...	268,560	255,847
Taxes	530,044	245,509
Property exams. ...	53,539	65,164
Operating earnings ..	1,125,720	1,044,191
Add: Lamaque divds.	1,141,305	957,800
Invest. income	26,533	21,401
Net profit	2,293,558	2,023,392
Less: Dividends	2,163,215	2,067,072
Surplus for year	130,343	*43,680
Add: Prev. surplus ..	3,820,374	3,864,054
Surplus forward	3,950,717	3,820,374
*Deficit.		
Earnings per Share & Dividend Record:		
Earned	$0.477	$0.42
Paid	0.45	0.43
Working Capital		
Current assets	4,255,012	4,302,432
Current liabilities	1,394,093	1,050,459
Working capital	2,860,919	3,251,973

Perron Cuts New Ore In Diamond Drilling

Diamond drilling carried out at Perron Gold Mines during September resulted in the cutting of several new veins, the company's monthly progress report reveals.

A new vein was cut in drill hole No. 588 south of 709 shear zone which averaged 2.23 oz. gold over 6.4 ft. Drilling from surface on claim No. A34897 gave an ore intersection of 1.2 oz. over 2.3 ft. This ore was stated to be extended 250 ft. in drill hole No. 59 with several well mineralized quartz intersections.

During the month approximately 56% of ore mined was drawn from No. 32 vein.

Week in Oils

From Our Own Correspondent

CALGARY.—The western oil industry is speculating on its outlook for the coming winter in the light of current events.

This week, as Oil Controller Cottrelle returned east from a personal survey of prairie oil resources and western marketing problems, the reconstituted Alberta Conservation Board revised its oil well allowable programme in line with the production plan worked out in co-operation with the controller. The oil industry speculated on its outlook for this winter.

Outstanding was the fact that the old system of tying up allowable oil production with seasonal and widely varying market requirements is dead. From now on, regardless of what the immediate market can absorb, Turner Valley oil wells will operate at a fairly uniform field quota year round—the quota being largely determined month by month by what the Conservation Board considers the maximum efficient production rates of all the wells then on production.

* * *

Wells Near Maximum

Daily average production of 25,000 bbls. for Turner Valley oil wells has been promised the Alberta Petroleum Association by Oil Controller Cottrelle. This would assure annual production of some 9,125,000 bbls. This rate is not far short of the present efficient maximum of existing producers. Should the Turner Valley potential be greatly stepped up by increased drilling, and should substantial production be developed in other fields (of which more than 16 are now under test), Controller Cottrelle has given assurance that the greatest possible use will be made of all available Canadian oil resources.

* * *

Storage Increased

Maintenance of production at a high year-round level naturally is only possible if heavy stocks of crude oil and refined products are built up by refiners during the long winter months, when the prairie market may consume as little as 10,000 to 12,000 bbls. of oil per day. Such stocks, along with current production, would be used to satisfy the demands for spring plowing, summer tourist traffic and the fall harvest, when the prairie market requires as much as 32,000 to 33,000 bbls. per day.

To meet this problem such major marketing groups as Imperial Oil and British American have recently greatly increased their refinery storage for both crude oil and refined products. Many smaller marketers, either voluntarily or because of conferences with Controller Cottrelle during his western survey, have also taken, or are taking, steps to provide greater refinery storage facilities.

* * *

Stocks Low Now

Because of the heavy harvest demands during the past three months, present stocks of crude oil and refined products could supply the current market for only between five and seven days should the sources of the prairie oil supply be suddenly destroyed.

Present plans call for the building up of stocks equivalent to about two months supply. Such a reserve—more than a million barrels—will prevent the recurrence of an oil shortage such as occurred this fall when market demands rose far above the avaliable supply from prairie fields, and will require the operation of all oil wells this winter at their maximum efficient level.

It is understood that the Alberta Oil and Natural Gas Conservation Board, headed by California petroleum engineer Robert E. Allen, will work in close co-operation with the Dominion oil controller in effecting the programme.

* * *

On Monthly Allowable

Because of the steps already taken to break the ties binding oil production with immediate market needs, the Board has already made an important change in the method of setting allowables for Turner Valley oil wells. Effective Oct. 1, wells are being operated on a monthly allowable. The October monthly quotas were announced on Oct. 10. In future, however, it is planned to issue the schedules a day or two prior to the date on which they take effect.

The October allowable, covering 118 wells, is 790,500 bbls., the equivalent of a quota of 25,500 bbls. per day. The allowable does not, of course, include production expected this month from wells newly completed or now near completion.

Formerly allowables were set on a daily basis, new schedules being issued as frequently as market changes warranted, sometimes as often as two or three times a month. Under the new system it will be much easier to estimate the output of the field and individual wells for the current and following month.

Wood Cadillac Shows Profit

Ore Bodies Generally Found Less Continuous Than Expected

A net profit of $19,259 was realized by Wood Cadillac Mines from commencement of production on Dec. 10, 1939, to June 30, 1940. Operating profit for the period was $102,313 with depreciation, pre-production expense, administration expense, etc., reducing the profit as reported.

Construction of the company's 225-ton mill was arranged by a $225,000 loan from Mill Builders Ltd. As this loan was insufficient to meet the full expenses of reaching production, further loans were secured from Mill Builders, bringing total indebtedness to nearly $275,000. As at June 30, 1940, however, indebtedness to Mill Builders had been reduced to $202,355. Current assets were $27,150 as against current liabilities of $47,422.

Veins Flat-Lying

Production from Dec. 10, 1939, to June 30, 1940, totalled $282,122 from 38,756 tons of ore for an average recovery of $7.27 a ton. Ore bodies have proved less continuous level to level than expected due to flat-lying veins. No estimate of positive ore is considered advisable but Julius M. Cohen, consulting engineer, reports possible, indicated and broken ore at 81,910 tons averaging 0.19 oz. gold per ton. This is sufficient for aproximately one year's milling requirements at the present rate.

Most easterly development has been carried out on the 500-ft. level where a fault was found to shift the iron formation 60 ft. to the north. High-grade ore is stated to have been encountered beyond the fault within the last few days.

To maintain a constant ore reserve, some consideration should be given to shaft sinking, Mr. Cohen states.

Quarter a Record For Kerr-Addison

Output Hits Million Mark and Operating Profit $680,276

Best results in its history were realized by Kerr-Addison Gold Mines in the three months ended Sept. 30, 1940, with both output and operating profits new records.

Production for the quarter of $1,020,854 was obtained from 111,790 tons of ore treated, an average of $9.13 a ton. Average recovery was remarkably high in this quarter as in the preceding quarter, it is stated; over a long period, it is expected mill heads will average about 0.2 oz. or $7 a ton at $35 gold.

Output the previous quarter was $936,368 from 110,624 tons, an average of $8.46 a ton.

Operating profit in the September quarter amounted to $680,276, reflecting the high output for the period. This compared with $587,257 in the June quarter.

Increase on Schedule

It is anticipated that the increase in milling capacity from 1,200 to 1,800 tons daily will take effect about Jan. 1, 1941. On the 175-ft. level No. 19 ore body has been extended 233 ft. in ore of 0.163 oz. cut grade over 10 ft. 8 inches. At the 700-ft. level, No. 16 ore body has been developed 265 ft. averaging 0.355 oz. cut grade over 11.5 ft. Diamond drilling from the 1,000- and 1,300-ft. levels has outlined 834,163 tons of ore in No. 14 ore body averaging 0.4698 oz. uncut or 0.254 oz. cut. No. 21 ore body has also been partially outlined at the 1,000- and 1,300-ft. levels. Open to the east, it has an indicated length of 774 ft., 18 ft. wide, at the 1,000-ft. level averaging 0.122 oz. cut grade; at the 1,300-ft. level, it is 860 ft. long, 41 ft. wide, averaging 0.1668 oz. cut.

New Yorker Inspects Herb Lake Group

From Our Own Correspondent

WINNIPEG.—Frank Ebbutt, New York geologist has completed a detailed inspection of property held by Chris Paris, Saskatoon, at Herb Lake. Mr. Ebbutt has returned to New York where he will prepare and present a report to his associates. Trenching has been done on the property during the past two or three years by sons of Mr. Paris, who at the present time is preparing to diamond drill it.

Mines Continue After Embargo

Granby Was Preparing For Such an Eventuality For Some Months

From Our Own Correspondent

VANCOUVER.—Denied entry into markets other than those of the British Empire and possibly the United States as a result of embargo action ordered at Ottawa last week, British Columbia copper mines, which produce about 35,000 tons of copper concentrates annually, will continue in operation.

It is expected that all the copper produced in the province will be shipped to the Tacoma smelter of American Smelting & Refining Co. and there processed for the use of American and possibly Canadian industries engaged on war contracts. One thing is certain: None of the copper will go to Japan, which until now has been the chief single buyer of B. C. copper.

Britannia Mining & Smelting Co., subsidiary of Howe Sound Company, has been shipping to Tacoma for several years. Granby Consolidated, which until now has shipped concentrates direct to Mitsui & Co. in Japan, is now negotiating with a view to having Tacoma absorb its output, too. Last year Britannia produced 37 million pounds of copper concentrates and Granby 33 million pounds.

George C. Bateman, Canadian metals controller, and Dr. Charles Camsell have been studying the situation and it is understood that the embargo was declared after they had made their report.

Even though it was clear Canada was not the only available source of copper supply for Japan, the inconsistency of shipping potential war material to a nation avowedly hostile to Britain was generally recognized.

Several months ago Granby began preparing for such an eventuality. Storage space has been increased, and power plant has been greatly enlarged with a view to establishment of a smelter, but no decision on this point has yet been reached.

Meanwhile interest in the prospect of establishing a smelter on the Pacific Coast has been revived by the embargo. Such a plant might draw ore from as far away as the Yukon and the Prairie Provinces. Consolidated Mining & Smelting Co. has several important copper properties near the coast, such as Coast Copper and Sunloch. Considerable copper tonnage has been blocked out at Anyox, where Granby dismantled its plant several years ago. Pacific Nickel at Choate might also be a contributor to the proposed smelter, but the heavy costs involved and uncertainty of the market are likely to keep the project on ice for some time.

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Dividend Hopes At Chesterville

Contrary to earlier expectations it is not now expected that Chesterville Larder Lake Gold Mining Co. will be in a position to pay an initial dividend of 5 cents a share this December, The Financial Post is informed. At the present time, it is reported likely that the first dividend will be around 3 cents a share.

Earnings of the company are showing little change but officials have felt it advisable to invest $100,000 in supplies to guard against possible future shortage. This reduces the amount immediately available for payment of dividends.

Privateer Opening Ore in No. 2 Vein

Length of 161 Ft. Reported on Level at 1,100 Ft. — New Manager

A length of 161 ft. of ore had been opened up in No. 2 vein at Privateer Mine to the end of last month, The Financial Post is informed.

This ore averaged 2.82 oz. gold to the ton over an average of close to 11 inches. Since the end of the month drifting is stated to have continued in high-grade ore.

McConnell Manager

N. E. McConnell, recently acting manager of the mine, has now been appointed mine manager. In making its decision, the board of directors placed on record its satisfaction with general conditions and with the general programme being carried on.

Production for September amounted to $85,172 from 2,609 tons of ore milled for an average recovery of $32.65 a ton. In the preceding month output amounted to $93,517 from 2,760 tons of ore, an average of $33.88 a ton.

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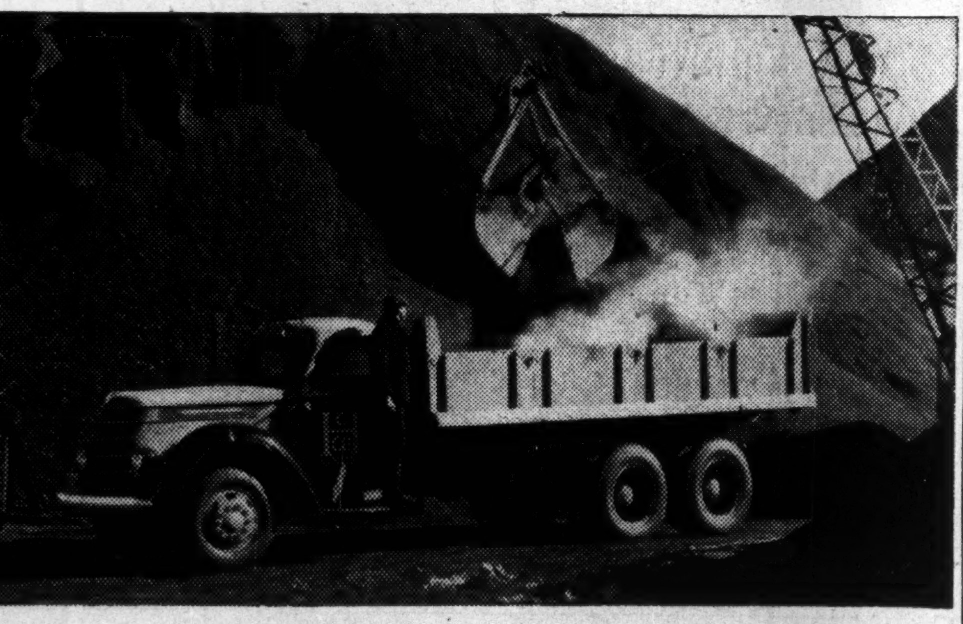

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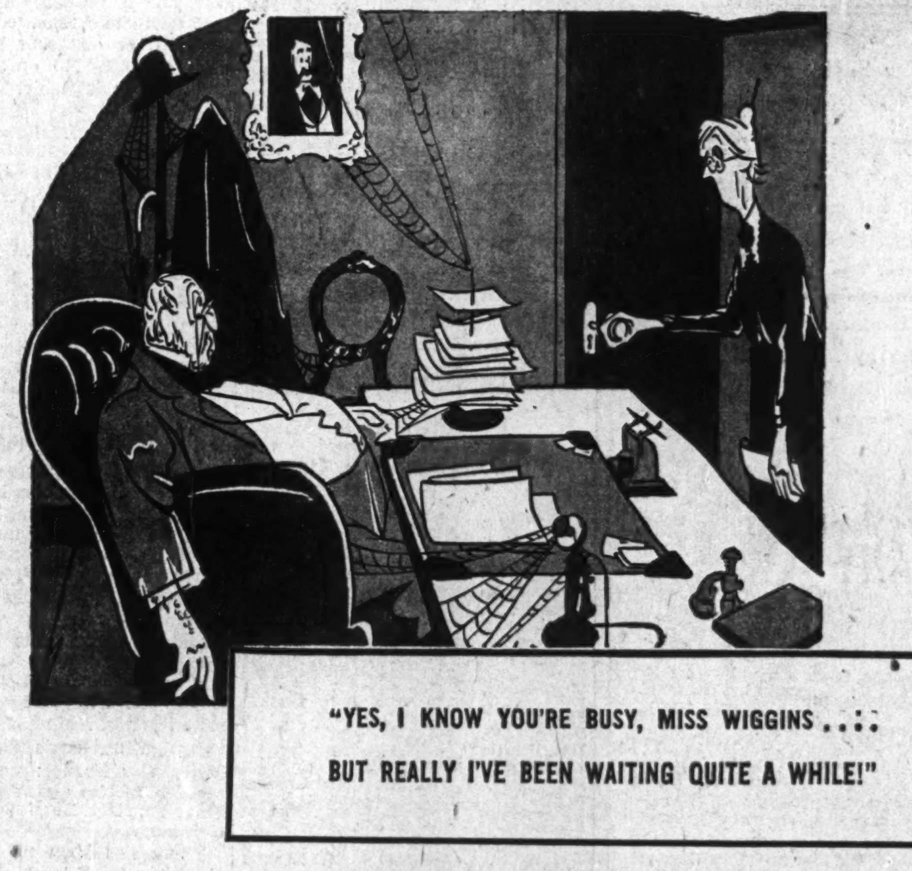

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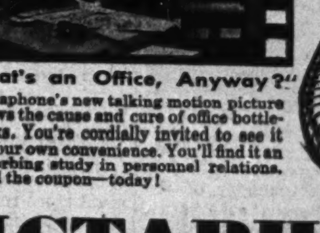

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Canada's Overseas Mining Empire

From Far Corners of the World Come Fruits of Canadian Enterprise Swelling Foreign Exchange Resources

By GORDON M. GRANT
Staff Writer, The Financial Post

Canada's stake in the mining industry abroad has assumed a new importance since outbreak of war. Doubled in size the last five years, it is now making a sizeable contribution to the war effort through the foreign exchange it provides.

So rapid has been the growth of our mining holdings outside of Canada that few realize their full present extent. Do you know, for instance, that Canadian capital has been invested in successful enterprises in Nicaragua, British Guiana, Colombia, South Africa, Saudi Arabia, Australia, New Guinea and Alaska?

That is an established fact. Regular income now comes from practically every one of these places. Canadian money and management has developed most of the enterprises concerned right from the "grass roots." The large degree of success attained effectively demonstrates how Canadian mining engineers are at home the world round.

Most of our foreign enterprises were firmly established before outbreak of war. This was particularly fortunate. Instead of our resources being drained to complete new undertakings, foreign undertakings have provided us with substantial income right from the start.

Nicaragua an Example

Nicaragua is a perfect example of the way Canadians have been successful in mining undertakings abroad. Canadians now control two large gold mines in that country; possess a minority interest in a third, and expect to develop another producer financed out of profits being realized.

Noranda Mines was the first company to achieve notable success in Nicaragua. A subsidiary, Cia Minera La India, brought a gold mine into production in the Santa Rosa district in May, 1938. Initial capacity was 100 tons daily but milling rate has since been advanced to 275 tons daily. Not only has La India retired over $300,000 of indebtedness incurred in reaching production but monthly dividends of $4 a share were started in the early part of the present year, Noranda's share amounting to $28,050 monthly.

Apparently to emulate the success of its parent company in the development of new mines, Compania Minera La India has secured a 95% interest in a new company, Empresa Minera De Nicaragua, which officials anticipate will go into production shortly. Profits from La India are expected to be more than sufficient for any production plans on the new property.

La Luz Mine Large

Canadians have established an even larger enterprise in Nicaragua than the La India operation in La Luz Mines, jointly financed by Ventures Ltd. and Sudbury Basin Mines. Production was started by La Luz in August, 1939, at 300 tons daily. By the second quarter of 1940 the milling rate had been increased to over 500 tons daily and installation of an additional ball mill the latter part of this year is expected to result in a further increase to 800 tons daily.

Treatment of a relatively small tonnage of lower than average grade ore in early operations, resulted in a small operating loss but in the June quarter of this year, net profit was $225,858 in United States funds. With a higher production rate, however, even larger profits can be anticipated. Eventually, it is anticipated well over 1,000 tons of ore daily will be treated. As there are about 5 million tons of ore indicated above the 500-ft. level averaging $6 to $6.50 a ton, it appears there will be no difficulty in supplying a mill of even greater than 1,000 tons capacity.

Premier's Interest

Through its association with American Smelting and Refining Co., Premier Gold Mining Co., acquired approximately 10% of the shares and income debenture notes of Neptune Gold Mining Co., which is operating a gold mine in the Pis Pis district of Nicaragua. Over a million tons of ore have been indicated on this property. The initial 300-ton milling unit turned over in 1938, but capacity was increased to 450 tons daily during 1939. Net profit for 1939 amounted to $379,460 after all charges except depreciation, depletion and U. S. income tax. It appears likely an even greater profit will be realized this year due to the increased milling rate.

British Guiana—Bauxite

British Guiana is the source of Canada's supply of bauxite—the ore of aluminum—and its value in dollars and cents can hardly be estimated. Bauxite is one ore of which plentiful supplies have yet to be proved up in Canada and for this reason British Guiana bauxite deposits are of the greatest strategic importance.

Last month Manikuru Goldfields completed its first dredge for its placer gold properties in British Guiana. Preliminary work by the Errington interests which have financed the project, indicated large gravel reserves that can apparently be profitably operated with modern equipment. Natives recovered a large amount of gold by primitive methods years ago.

Present plans call for construction of further dredges with operating profits realized from the first dredge. The rate of profits realized will determine the rapidity with which further dredges can be constructed.

Colombia Placers

In Colombia, Canadians have a considerable stake in gold dredging operations. Pato Consolidated, in which there is a considerable proportion of Canadian money, has a number of dredges in operation. Dividends were started last year.

Asnazu Gold Dredging is another dividend-paying Colombian enterprise in which Canadians are interested.

Great Bulolo

The greatest stake of Canadians in placer mining outside of Canada at the present time, however, lies in Bulolo Gold Dredging operating on the Bulolo and Watut Rivers in New Guinea. This enterprise has received wide publicity as large parts of dredge machinery had to be flown in by air.

The company has now seven to eight dredges in operation; it is undoubtedly one of the largest and most profitable placer operations in the world. Producing nearly $6 millions of gold annually, the company makes an important contribution to the Empire's ability to purchase needed supplies of war materials in the United States. From the Canadian point of view, its profits amounting to over $3 millions a year the last few years, provide Canada with further foreign exchange. Dividends are being distributed at the rate of $3 a share per annum in interim payments or $3 millions a year total dividends.

The Big Bell Mine

The chief Canadian mining investment in Australia is in Big Bell Mines with Premier Gold Mining Co. holding a 40% interest. On the Big Bell property, production has been carried on since September, 1937. Milling is now on the basis of 1,225 tons of ore daily. Big Bell started paying dividends last year with Premier receiving $247,668 as its share.

Further growth appears possible at the Big Bell mine. Back in 1938, it was estimated that at 1,000 tons of ore daily there was enough ore in sight to keep the mill going for eight or nine years. This ore was estimated only to the 500-ft. level, no drilling having then been done below that horizon.

Ore 78 ft. Wide

Original diamond drilling on the Big Bell ore body showed a continuous ore shoot 1,000 ft. long, 78 ft. wide and averaging $6.48 a ton with gold at $35 an ounce. Diamond drilling indicated approximately the same length, width and average value down to the 500-ft. level. It appears reasonable to anticipate this ore body extends to further depth than it has so far been tested.

African Situation

Considering the apparent wealth of its mineral resources, it is perhaps surprising that Canadians have not a larger stake in the mines of Africa. There are perhaps two reasons for this, the distance and the fact that many African mines were developed before those in Canada. However, one Canadian company, Dome Mines, has had a very satisfactory experience into the great Rand area of South Africa. In 1931 Dome purchased 90,000 shares of East Geduld Mines which placed a 1,000-ton mill in operation in July of that year. In 1933 the company sold enough of its holdings to liquidate the entire investment and to show a profit besides. At the end of 1939 the company still retained 30,000 of the £1 shares which had a market value of $1,374,525.

"King Solomon's" Mine

In far off Saudi Arabia, Premier Gold Mining Co. has approximately a 12% interest in a gold mining operation running at 300 tons daily. There is a possibility that this is the mine from which King Solomon secured his gold. Production is being taken from a surface dump where there are estimated to be close to a million tons averaging over $17 a ton. Development of a commercial operation was beset by several difficulties not the least of which was a lack of water. This problem was finally solved by construction of a water line 37 miles long.

Alaska Mine

In Alaska, Conwest Exploration Co. has a subsidiary operation, Willow Creek Mines, which has proved a profitable enterprise and is now paying dividends to its parent company. Apparently suffering from a faulting problem which defied solution, Canadian interests took over the Willow Creek mine; solved the faulting problem, and have now got a year's ore ahead of the mill. Prospects for further expansion are considered bright as the old workings are responding to development as well as the section of the property beyond the fault.

The Canadian mining industry has two foreign investments seriously affected by war. Falconbridge Nickel Mines refinery in Norway is now in German occupied territory. At last report the plant had not been damaged.

Inco's Petsamo

International Nickel Co. of Canada spent considerable money on the Petsamo Nickel property in Finland before Russia overran part of that country. The company has written off the entire expenditure in Finland through appropriation from surplus account.

Preparations for production at Petsamo had not been completed when Russia decided to invade Finland and there was no question of others being able to secure immediate production. Last week it was reported the Germans had massed 330,000 troops at the north end of Norway to guard against any western thrust by Russia. Like the Dardenelles, it is just possible the Petsamo nickel deposit is something both Germany and Russia would like to possess—and perhaps a factor making for an eventual cleavage between the two countries.

Mining Concentrates

Bayonne Consolidated Mines operated its mill only 20 days in September due to a fire. Production for the month was $17,878 as against $39,000 for August which was the best month since milling was resumed last April.

* * *

Consolidated Smelters is stated to be going ahead with work on an optioned tungsten property in the Omineca district of British Columbia which is known as the Red Rose group. Diamond drilling is being carried on under the direction of W. W. Selby. The claims which were restaked in 1932, are said to have given good values in tungsten when worked during the last war. Immediate location of the claims is on Rocher de Boule Mountain, near Hazelton.

* * *

Gunnar Gold Mines has declared its regular semi-annual dividend of 3 cents a share payable Nov. 15, 1940, to shareholders of record Oct. 31.

* * *

Kirkland Lake Gold Mining Co. production was slightly lower in the third quarter:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
Third quar.	36,427	396	13.39	487,694
Second qtr.	34,440	378	14.83	510,661

* * *

Lapa Cadillac Gold Mines has met with encouragement in a recently inaugurated programme of surface diamond drilling, shareholders were informed at the company's annual meeting. A hole put down on a shear zone north of the shaft has returned a value of $13.86 over 4.2 ft. Taking a greater width, value was $5.40 per ton across 20 ft. of core. Two further holes are now being drilled, one located 150 ft. east of the first hole and the second 300 ft. away. Results from these holes are expected shortly. There is stated to be upward of a year's ore ahead of the mill and an aggressive development programme is being pursued.

Morris Kirkland Gold Mines production was slightly lower in September:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
September ..	3,574	119	4.51	16,135
August	3,748	121	4.55	17,053

* * *

Moneta Porcupine Mines showed slightly lower total and average recovery in the three months ended Sept. 30:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
Third quar.	16,119	175	17.74	285,943
Second qtr.	16,135	177	18.37	296,480

* * *

Negus Mines showed increases in both value of output and tonnage milled in September over the preceding month:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
September ..	1,846	62	35.93	66,335
August	1,764	57	37.21	65,633

* * *

Orelia Mines is stated to have discovered a 37-in. vein carrying free gold on the 85-ft. level of its property in northwestern Ontario. The find was made in the Golden Star workings which are being dewatered in preparation for underground mining operations there. Ore for operating the 45-ton mill is being drawn from an old stope through a temporary headframe while the main shaft is being prepared for larger operations. Capacity of the mill is being increased to 55 tons daily by installation of additional equipment.

* * *

Premier Border Gold Mining Co. is reported getting good values in its current programme of diamond drilling on its property in the Portland Canal district, surrounded on three sides by the property of Premier Gold Mining Co. A new programme of development was laid out for the Premier Border property following a small landslide which disclosed a new vein.

* * *

Reno Gold Mines production dropped to $17,500 in September due to fire compared with $38,000 for August.

* * *

Perron Gold Mines reported a new high for monthly production in September:

1940:	Tons milled	Tons daily	Aver. recov. $	Total recov. $
September ..	12,474	416	15.00	187,172
August	12,937	417	13.03	168,532

* * *

Sullivan Consolidated Mines resumed normal operations on Oct. 10 following a two-day strike for union recognition, increased wages and other claims.

* * *

Shenango Gold Mines has uncovered seven veins in its south zone system during the past summer; six veins in the centre zone and one vein in the north zone, according to J. G. Pollard, mine manager. No. 1 vein in the south zone is stated to have been exposed for 500 ft. while No. 2 vein has been disclosed for 400 ft. with widths of 3 to 6 ft.

* * *

Sherritt Gordon Mines has declared a dividend of 5 cents a share payable Dec. 12, 1940, to shareholders of record Nov. 12. A similar dividend was paid on July 8.

* * *

Upper Seine Gold Mines has reached a regular production basis at 50 tons a day, it is reported, with ore being drawn from the first level. A first gold brick poured as a result of tune-up operations contained 54½ ounces.

* * *

West Malartic Mines announces W. D. Callaghan and H. R. Neff, both of Cleveland, Ohio, have been elected to the board of directors. There are still two remaining vacancies on the board of seven.

* * *

Ymir Yankee Girl Gold Mines output for September was slightly lower with gross production amounting to $31,351 and $27,631 for net smelter returns. In August gross output was $32,600 and net smelter returns were $28,720.

Mining Enquiries

Waite Amulet

Can you give me some indication of the present trend of earnings at Waite Amulet Mines? I understand that a fixed price is being received for copper output. Is this keeping earnings at a fixed level?

Earnings of Waite Amulet Mines may prove somewhat higher in the last half of 1940 than in the first six months of the year, when net profit was equal to 12.9 cents a share.

The company's new mill had been worked up to tonnage rate of 1,000 tons daily by July 31, 1940, but a further increase to 1,200 tons daily is scheduled to take effect this month. With a larger proportion of ore being taken from the lower A ore body, ore grade may also be considerably higher in the last half of the year.

The company paid its first dividend of 10 cents a share on July 16, and from statements made a further dividend is likely in the present year. The financial position of the company is strong, and with no large capital expenses in sight, a large part of earnings may be distributed in dividends the next few years.

Sigma Mines

Please give me some idea on current earnings of Sigma Mines (Quebec).

Sigma Mines reported record earnings of 72 cents a share for 1939 compared with profit equal to 54 cents a share in the preceding year. Production so far in the current year has averaged slightly higher than in 1939, and it appears reasonable to suppose that the earnings rate of 1939 has at least been maintained if no marked increase in costs has taken place.

With an increase in the mill capacity from 750 to 1,000 tons daily scheduled for approximately next December, it appears possible that production and profits may reach new highs in 1941.

Development of the property has not been pressed and only about half the levels available from the shaft have been explored extensively.

Bulolo Gold

How much did Bulolo Gold Dredging earn last year? Has the company the gravel reserves to suggest a long life for the company?

Last fiscal year Bulolo Gold Dredging realized a net profit of $3.55 a share. With monthly operating profits somewhat lower since then, net profits may be running at a rate somewhat lower than that for the 1940 fiscal year.

The company continues to pay interim dividends of $1.50 a share each with the latest payment made on June 10, 1940, and Dec. 11, 1939. Reserves of gravel are substantial with suficient material ahead of the company's dredges to keep operations at capacity for over twelve years. Of course, some of this material might prove to be a somewhat lower grade. In addition to dredgable ground, the company has around 20 million cubic yards of material which will be handled by hydraulic equipment. The installation of hydraulic equipment, however, has been deferred until further hydro-electric power is is available.

Sheep Creek

Will you please outline for me current earnings of Sheep Creek Gold Mines; the possibility of earnings being maintained, and the general outlook for the future? I am thinking of making an investment.

Earnings of Sheep Creek Gold Mines for the year ended May 31, 1940, were equal to 20.3 cents a share compared with 21.6 cents for the preceding fiscal year and 20 cents a share for 1938. The company is paying regular dividends of 4 cents a share each quarter, and extra dividends of one cent a share each have been paid along with the last two regular quarterly dividends.

Ore reserves were increased approximately 7,000 tons last year and are sufficient for over 2½ years' milling, based on present mill capacity. The company is active in the outside exploration field, and with the management's experience it appears quite possible that sooner or later some really promising new property will be secured. Working capital will allow the financing of any new property secured.

La Luz Mines

La Luz Mines has been represented to me as a new enterprise with interesting possibilities. What do you think of this?

La Luz Mines is just now getting into its stride after the initial tuning-in period, and a really substantial margin of profit is beginning to be shown. In the 3 months ended June 30, 1940, net profit amounted to $225,868 in U. S. funds. Early last month, it was reported an additional ball mill was to be installed which would have the effect of raising mill capacity to 800 tons daily. This compares with an average rate of around 550 tons daily in the June quarter.

With most of its capital expenditures now out of the way, profits are expected to build up quickly the working capital position allowing dividends to be paid. On Sept. 30, 1939, there was an excess of current liabilities over current assets of approximately $250,000. There is believed to be little La Luz stock available in the hands of the public at the present time, most of the shares being held by Ventures, Sudbury Basin and interests in the United States.

If you are not completely satisfied with your present pipe tobacco, then by all means try Piccadilly! For it combines all those slow-burning, full-flavoured qualities demanded by cultivated West End smokers and supplied to them in the famous private mixtures of long-established London tobacconists.

Piccadilly
LONDON
SMOKING MIXTURE
MILD

Piccadilly
LONDON
SMOKING MIXTURE
MILD

DUN & BRADSTREET of CANADA, Limited
The Mercantile Agency
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20 Offices in the Dominion

The WESTERN SAVINGS and LOAN ASSOCIATION
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411 Avenue Building . . . Saskatoon, Sask.

DEPOSITS
$...00,000,000
BANK

WHOSE MONEY IS *it?*

WHAT money? Why—the money in the banks! The money carefully put away by you and your neighbours in savings accounts. The money you *could* have spent today but wanted to keep safely against some future need. The businessman's money for use in his normal operations.

There are more than 4,846,000 bank deposit accounts, savings and current. Within these two classes the great majority of deposits are small or of moderate amount. ¶ But you'd be wrong if you assumed from this, that the rest of the deposits are owned by the few! Quite the contrary! The railways, for instance, have deposits in the chartered banks—and that indirectly includes the whole population of the Dominion. The trade unions have deposits. Millions of policy-holders share in the ownership of insurance companies' deposits. ¶ And don't overlook the deposits of wheat pools; farm co-operatives; churches; municipalities and municipal hydro commissions, school districts; school children's penny bank savings deposited with the chartered banks; and commercial and mining corporations with very wide lists of shareholders, large and small, all over Canada. Truly, money on deposit in Canada's chartered banks is owned, *in fact*, by you and your fellow-Canadians.

In war, as in peace, Canada's Chartered Banks maintain, uninterrupted, their useful services — safeguarding depositors' funds; facilitating the nation's business — looking forward to peace with freedom as the only sure basis of enduring prosperity.

THE CHARTERED BANKS OF CANADA

The Financial Post Looks Over the New Cars

Canada's auto industry is magnificently demonstrating its capacity to operate on two important fronts of the country's war effort.

With increasing speed and volume, the main Canadian auto factories are rolling out thousands of mechanized army field vehicles, regular-type army supply trucks, and various types of passenger cars, ambulances, etc.

Almost as important as its direct war effort is the industry's ability to maintain normal operations, and meet the civil needs of industry, commerce and the public generally. This, in turn, gives a strong impetus to employment and production operations, not only in the auto industry proper, but in the many plants supplying parts and materials, and in the commercial enterprises dependent on the distribution and maintenance of cars. All this provides a vast source of revenue for war finance needs.

And so there is a double interest this season in the introduction of 1941 car models, now in full swing by all of the principal auto makers. All of the new models show extensive changes in body design, appointments and mechanical features. Generally the 1941 lines are larger, roomier and more powerful.

CHEVROLET

Concentrated into 10 models of two main lines, Chevrolet's 1941 offerings keep brisk step with the trend toward more massive, bulging dimensions and generously heavy bumpers, fenders, etc. The effect of the body lines is emphasized by concealing running boards under the doors and by increasing the slope of windshield and rear windows. Increases have been made in seat widths and both wheelbase and overall lengths, and riding stability has been improved by shock absorbers, "ride stabilizer," special rear springs, and knee action wheels.

Differences in the two series — Master DeLuxe and Special DeLuxe — are chiefly of special appointments and accessories.

FORD

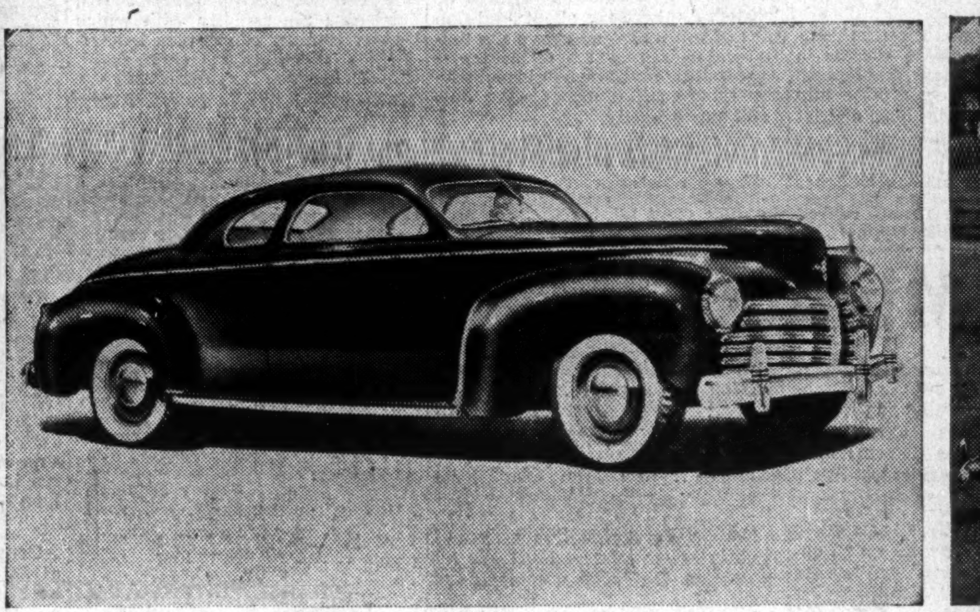
Despite the perennial rumor that Ford was planning an addition to the existing line, probably a lower priced six-cylinder car, the company's announcement of 1941 models offers the same three lines as last year — two types of Ford V-8 and the Ford Mercury. However the names of the first two groups of models, formerly Ford V-8 and Ford De Luxe, have been dressed up to Ford De Luxe and Ford Super De Luxe. Both have an 85-h.p. engine.

The Ford lines have taken middle ground in the current trend toward elimination or concealment of running boards. On all models of both the Ford and Mercury lines, fenders are semi-concealed with doors flared out at the bottom.

BUICK

While swinging along with other makes in offering models more spacious and curvatious than a year ago, Buick has stepped out in front with one of the few major new developments in the mechanical sphere. All of the 22 models in the five Buick series are powered with a valve-in-head straight eight engine of an improved design fitted on all but the lowest price series with two carbureters. Combination of the new engine design with the compound carburetion delivers greater power, better gas mileage.

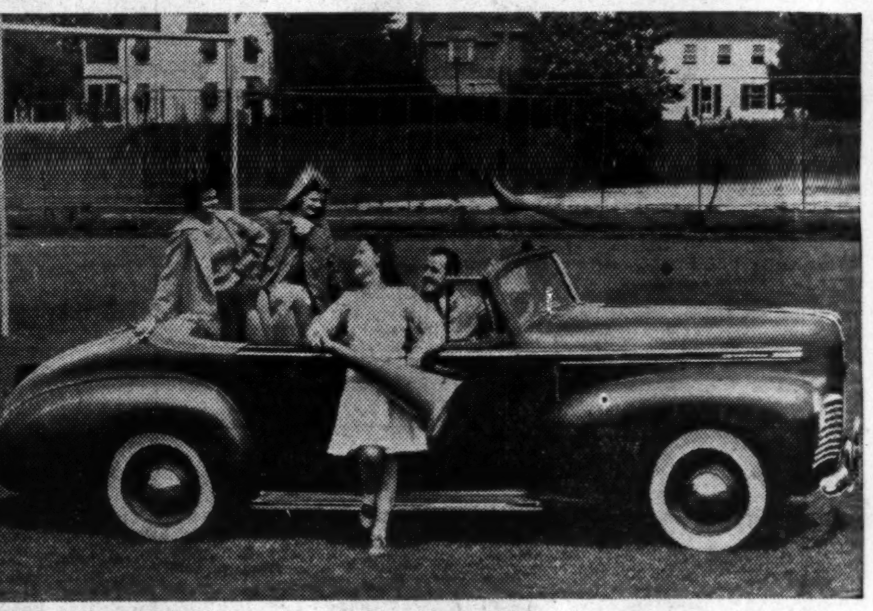
Models in the two lower priced series are available with wheelbase of 121 inches and 115 h.p. engines (125 h.p. with compound carburetion). The three higher priced lines are offered on 126 and 139-inch wheelbases.



CHRYSLER

Fluid drive transmission, which makes driving easier, virtually eliminating use of clutch or gearshift lever, was introduced by Chrysler several years ago as optional extra-cost equipment on high price models of the Chrsyler line only. On the new 1941 cars, fluid drive with no shift transmission is standard equipment on the higher priced models of the Chrysler, Dodge and DeSoto makes, and available optionally with power gearshift on the lower priced models.

Regular-type transmission is standard on the Chrysler Royal line, illustrated with the club coupe, but fluid drive is available as extra cost special equipment on all models. In all Chrysler lines, motor horsepower has been stepped up by revised engine design.



HUDSON

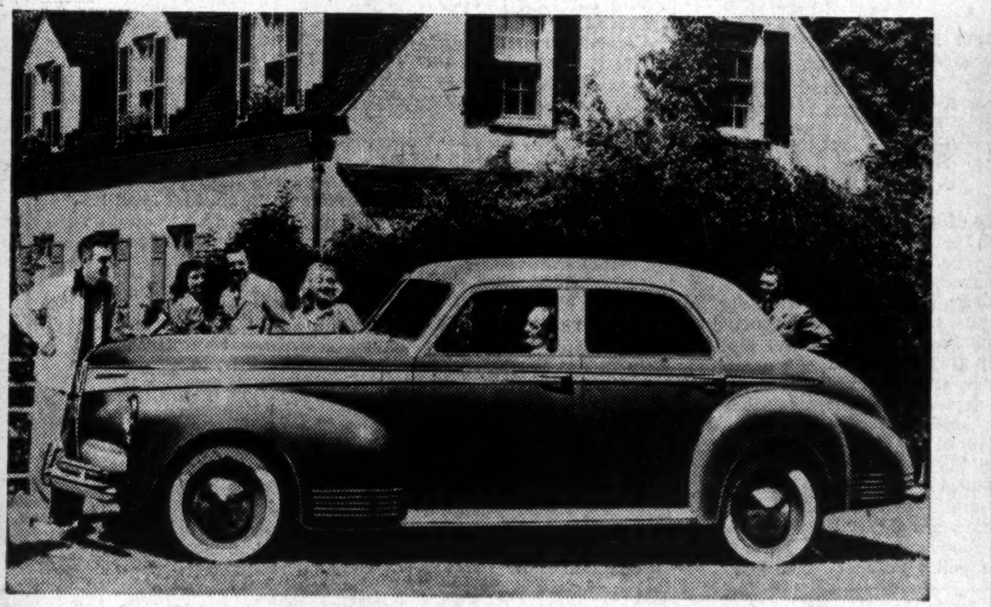
Again first to introduce 1941 models, with a preview early in August, Hudson is emphasizing its "symphonic styling" for all models which means blending color schemes for body exteriors, interiors, upholstery, carpets, instrument panel and general fittings. Color combinations are built around three basic shades — tan, grey, and green.

The Hudson line for 1941 includes the low priced group of Hudson Six models and the larger and more powerful Super-Six series. It has been extended with a new series called the Hudson Commodore. This last group includes the 128-h.p. Commodore Eight and the 102-h.p. Commodore Six. Features of all lines include longer wheelbase. Shown is the Hudson Six Convertible.

NASH

Up to now Nash has specialized in medium and high price cars. This year the company is making a strong bid for a foothold in the lower price field. The company has added to its regular lines (Ambassador eights and sixes) an entirely new low-priced series under the name of Ambassador 600. It is similar in appearance but with a somewhat shorter wheelbase than its older companion models. The 600 has wide front seats; concealed running boards which are flush with the floor and disappear when the doors are closed; and a six-cylinder motor that the maker says will run 30 to 35 miles to the gallon of fuel.

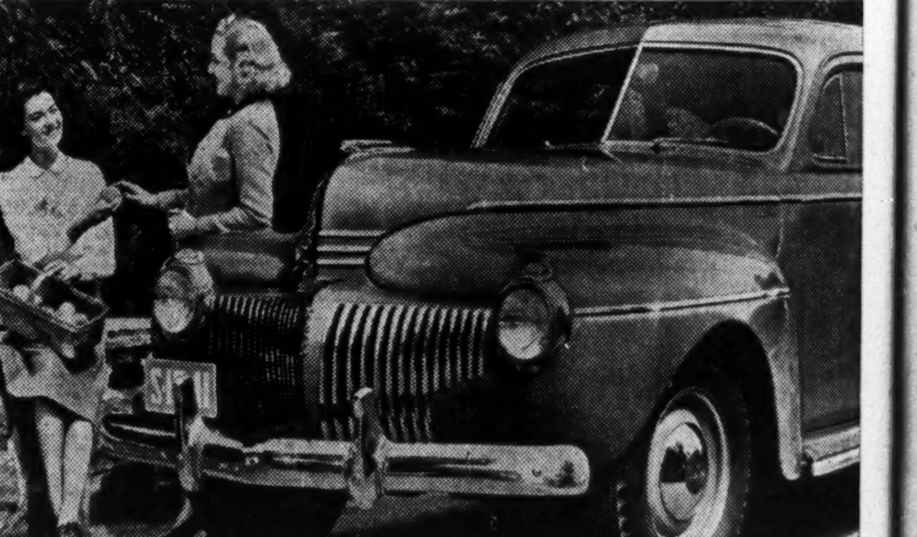
The regular sixes and eights are again offering the Nash folding bed feature and "Weather Eye" air-conditioning.



STUDEBAKER

The new line of Studebaker cars, expanded by addition of a Land Cruiser model in the Commander and President series, has again been designed along bold modern lines by Raymond Loewy, front rank industrial designer. All models have been made longer, lower-slung and roomier, and running boards have been omitted. To keep pace with the increased bulk of the bodies, power has been stepped up.

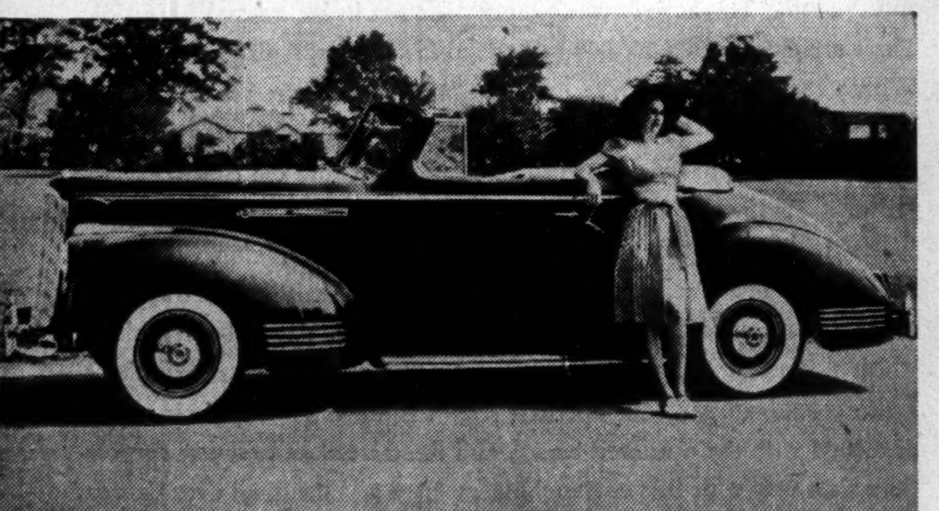
Drivers are going to like the improved ventilating system. The Studebaker unit, called the "climatizer," draws in air through a screened intake ahead of the left front door. It is ducted through the treating unit under the front seat, and fed out evenly, heated if necessary, to both front and rear compartments.



DESOTO

Three different types of transmission are available on the 1941 line of DeSoto, as result of extension of fluid drive equipment beyond the high priced Chrysler-make models to which it was formerly confined. On new DeSoto Custom models, fluid drive with no-shift transmission is standard equipment. This gives the driver full control over the motor through the accelerator pedal.

On the DeSoto Deluxe line, pictured here, standard equipment is conventional transmission with a "stepped up" second gear to facilitate quick getaway. Available as optional extra cost equipment is fluid drive similar to the higher priced line, but with changes of gear controlled by a power-actuated gearshift instead of being automatic.



PACKARD

Frankly announcing that "from a mechanical standpoint engines on the 1941 Packard line are basically unchanged," this maker has concentrated this season on new riding comforts and further adjustment of the sharp-cut Packard body lines to the current streamlined contours. Among the comfort features, is the new automatic air-conditioning unit with refrigeration system, which can be extended at extra cost to provide a miniature refrigerator for food and beverages.

Another innovation for luxury loving motorists is the automatic equipment for raising and lowering windows. Standard equipment on the Packard 180, this permits windows to be controlled by switches on each door.

WILLYS

Willys continues to operate as a specialist in the lowest price field. The name "Americar" tagged to its 1941 line seeks to sum up its particular appeal to car buyers who want a car with rock bottom base price and operating costs, but comparable in size and equipment with the average for higher priced autos. The new Willys is frankly designed to represent the minimum among normal sized cars, but body design and appointments, motor power, and dimensions keep it definitely out of the class of "baby" or "midget" cars.

The engine is designed to deliver 63-65 h.p., compared with ratings of 75 to 85 h.p. for the motors in cars in the regular low price field. It will give a top speed of over 80 miles an hour.

ZEPHYR

In evolving design for 1941 models of Lincoln and Lincoln-Zephyr cars engineers stressed changes making for greater riding stability and driving ease. There are now three lines of Lincoln models, the Lincoln Custom sedan and limousine for family or formal use; the lighter, more stylized Lincoln-Zephyr illustrated herewith, introduced a few years ago; and the Lincoln Continental cabriolet and coupe, introduced last year as a special cabriolet model of the Zephyr line.

Design of the 12-cylinder V-type Lincoln engine used in all lines has been changed to increase the compression, and to step horsepower up to 120. Overdrive equipment is available as special equipment.